

# Optional Payment Lifetime Mortgages (OPLM)

## What is an Optional Payment Lifetime Mortgage?

Our Optional Payment Lifetime Mortgage helps customers who wish to pay their monthly interest, rather than us add it to the amount they owe.

Your clients can choose to pay some, or all, of the monthly interest payment by Direct Debit. If they choose this product, it could help them reduce the overall cost of the loan. They can also stop making monthly interest payments at any time.

When they stop making monthly interest payments, the unpaid interest is added each month to the amount they owe. This means that interest is charged on the loan amount plus any interest already added. Making monthly interest payments will reduce the amount of interest that will accumulate over the life of their lifetime mortgage.

A lifetime mortgage is a way of releasing money from the clients home without them having to move. It's a loan that's secured against the home which can be used to repay their existing residential mortgage or can be taken as a tax-free cash sum or in smaller amounts as and when they need it.

The lifetime mortgage is usually repaid from the sale of your client's home when they or the remaining applicant (if the mortgage is in joint names) dies or moves out of their home into long term care. Of course, any money left from the sale of their home would be available to their beneficiaries.

## Why might your client want an OPLM?

People are increasingly borrowing in later life. How your client spends the money is up to them.

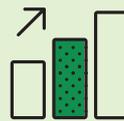
### They could use the money for:



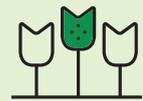
An interest-only mortgage that is due for repayment



Helping a **family member** get on the **property ladder**



Supplementing their **pension income** and improving **standard of living**



**Home or garden improvements**

Your client may have a regular income now, but expects it to reduce or end in time, perhaps when they fully retire. This may make it difficult to get a mortgage or other credit, which can be frustrating. And of course, if they have an interest-only mortgage, they may be worried about being able to pay it throughout retirement.

Your client should be aware that a lifetime mortgage will reduce an inheritance. If they gift money away the recipient may have to pay tax in the future. There may be cheaper ways to borrow money.

This is not a consumer advertisement. It is intended for professional financial advisers and should not be relied upon by private customers or any other persons

## Are customers tied into making monthly repayments?

**No.** Your clients can stop making monthly interest payments at any time.

However, once they stop, they can't restart making monthly interest payments. They must also stop making monthly interest payments if they miss more than six monthly interest payments in total.

### Is your client eligible for an OPLM?

If your client meets the following criteria, they could be eligible for a Legal & General Lifetime Mortgage:



Aged **55** or over



Living in (or buying) own home with a **small, or no, mortgage**



Wants to borrow a minimum of **£10,000**



A homeowner of a property worth at least **£70,000**, or **£100,000** for flats, maisonettes, ex-council, ex-housing association or ex-Ministry of Defence properties



Living in **England, Wales** or **mainland Scotland**

Visit [portal.landhomefinance.com](https://portal.landhomefinance.com) to register with us, or apply for one of our lifetime mortgages.

If you're looking for product information or support, [legalandgeneral.com/adviser/ltm](https://legalandgeneral.com/adviser/ltm) is a great place to start.

## Speak to our team

To find out more, contact your dedicated account manager, or call:

**03330 048 444**

Lines are open Monday to Friday, 9am to 5pm.

Call charges will vary. We may record and monitor calls.

For help with everyday queries, email:

[adviser.support@landhomefinance.com](mailto:adviser.support@landhomefinance.com)

If you're contacting us by email, please remember not to send any personal, financial or banking information, because email is not a secure method of communication.