

Lifetime mortgage

Moving home guide



Moving home made simple

Aviva gives you the flexibility to move home and transfer your lifetime mortgage from your existing property to your new property.

This guide explains the steps you need to take if you want to move home and take your lifetime mortgage with you. It also explains where to find information on the costs and the criteria your new property must meet. We also cover what happens to any inheritance guarantee you currently have.

There are no restrictions on the number of times you can move property. But, it's important to check that the property you're moving to meets our lending criteria, at the time of the move. If the chosen property is not acceptable then you'll have to repay your lifetime mortgage in full. **This means you may need to pay an early repayment charge.**

Did you know?

We have a dedicated team of specialists who can help you, whatever your change in circumstances. Give them a call on **0800 158 4177** between 9am to 5pm, Monday to Friday.

Please remember - the purchase of your new property and the sale of your current property must take place on the same day. Otherwise, there will be no property for us to secure your mortgage against.

Step by step guide to moving home with your lifetime mortgage

Step 1: Contact us

Transferring the lifetime mortgage to your new home can take some time. It's important to contact us at the earliest stage of your moving property journey. Not doing so could cause your move to be delayed.

- Call us on **0800 158 4177**.
- You may want to talk to your financial adviser about your intention to move.

Step 2: We arrange a valuation

- Once we've provided you with an illustration and you've confirmed you're happy to proceed, you'll need to pay the valuation fee(s) and application fee. We'll then arrange independent valuation(s) for one or both properties.
- There is a minimum property value of £75,000.
- There are certain properties that we can't accept as security for a lifetime mortgage. Please check our Guide to properties we'll consider to see if your new property is likely to meet our lending criteria. If we can't accept your new property as security after it has been valued, any valuation fee and application fee you've paid won't be refunded.

Step 3: Acceptance

- Once we receive the valuation report(s) and we're happy to proceed, we'll write to you to let you know. The valuation report is valid for six months. If you don't complete within that time a revaluation is required (at a lower fee than the first valuation).
- We'll then pass the details of your move to our legal advisers. They'll make contact with your legal advisers to ensure any necessary legal checks are carried out on your new home. **This process may take between 8 - 12 weeks to complete. For more complex cases, it could take up to 16 weeks to complete.**
- Should the results of these checks reveal anything unacceptable to Aviva, we reserve the right to decline the transfer of your lifetime mortgage.
- Once you're at this point in your move, your legal advisers should be your main point of contact. Whilst Aviva will be able to answer any questions related to your lifetime mortgage, we'll not be able to assist with the legal aspect of the transfer.
- Our legal advisers will let your legal advisers know if any compulsory partial repayment is required. They'll provide an estimate of how much this will be.
- If there are any essential repairs recommended by the valuer, we'll tell you if they need to be carried out in full before the completion date.
- If we can't accept the new property as security, you can look for an alternative property. However, if you still wish to proceed with the move to the property that we'll not lend on, you'll need to repay your lifetime mortgage in full. **This could mean that you also have to pay an early repayment charge.** If you're eligible for downsizing protection, the early repayment charge will not apply. More information about downsizing protection is available on page 5.

Step 4: Confirmation of completion

- Our legal advisers will need as much notice as possible of the completion date from your legal advisers. This is so we can issue your documents for the new property.
- Once the documents have been prepared, we'll send copies to our legal advisers to pass on to yours. We'll also send you a copy.
- If we need you to make a compulsory partial repayment, this will be confirmed to you and your legal adviser at this stage.

Step 5: Meet with your legal adviser

- Once you receive the legal documents you need to make an appointment to see your legal adviser and sign them.

Step 6: Return documents to us

- Your legal adviser will need to return certain documents to our legal advisers before the completion date. Our legal advisers will not agree to proceed with completion until all documents have been provided.

Step 7: Completion

- On the day of your completion your legal adviser will send any compulsory partial repayment you need to pay to us. This payment will be by telegraphic transfer. We'll then transfer the lifetime mortgage to your new property.
- We'll continue to write to you each year with details of your total loan including interest to date. We'll do this on the anniversary of your lifetime mortgage.

Costs and changes to your lifetime mortgage if you move

There can be other things to consider when moving your lifetime mortgage. Cost is a big one but also if you've an inheritance guarantee you may wish to keep this or change it.

What are the costs of moving my lifetime mortgage?

You'll be responsible for paying:

- valuation fee(s)
- legal fee(s) – yours and ours
- an application fee

Please see our Tariff of Charges brochure for further details.

If you move to a property of a lower value

- We may need you to repay part of your original loan and interest.
- If you're moving to a leasehold property, the remaining lease length will determine what percentage of the property valuation is used to work out how much you can borrow.

If you move to a property of the same or higher value

- We'll not ask you to repay any part of your loan and interest.
- We may ask for your existing property to be valued if your new property is of a similar value, which you'll need to pay for.

The inheritance guarantee

If you took out an inheritance guarantee on your lifetime mortgage, we'll move it across to your new property. The inheritance guarantee will cover the same percentage of your new home as it did on your old one.

You can reduce or remove the percentage you've guaranteed if:

- we've asked you to make a compulsory partial repayment of your loan, because you owe us more than we can lend you on your new property.
- you'd like to take additional borrowing with your move.

Make sure that you consider this very carefully before you do it. If you remove the guarantee, you run the risk of leaving no inheritance if it takes all of the sale price of your home to pay back your loan.

We strongly suggest that you talk to a financial adviser before you remove or reduce your inheritance guarantee.

Voluntary partial repayments

A lifetime mortgage is designed to end when you die or need to move into long-term care.

You may have to pay an early repayment charge if you repay your lifetime mortgage in full before this time.

However, if you applied for your lifetime mortgage on or after 28 April 2014 you can make partial repayments on a voluntary basis if you want to. For instance, you may come into an unexpected windfall and find that you can afford to repay some of the money you've borrowed.

Our voluntary partial repayment feature allows you to do just that, with no early repayment charges to pay. It works like this:

- Every year you have the option to make voluntary partial repayments of at least £50 each. If you want to do this, just give us a call at the time.
- The maximum you can repay each year is 10% of the total amount you have borrowed and not taking into account any interest accrued.
- If you're considering making voluntary partial repayments you'll need to contact us each time you want to make a repayment. These cannot be set up as regular repayments. The payment methods we accept for these are BACS, CHAPs, Faster Payments or Debit Card.

Downsizing Protection

We recognise that circumstances can change over time, and often without warning. You may have every intention of staying in your home but sometimes events can mean that you have to move. You might need more support so choose to move into sheltered accommodation or a retirement home. You may also choose to live closer to your family.

If you apply to transfer your lifetime mortgage, but your new property doesn't meet our lending criteria at the time, you won't be able to move your lifetime mortgage to your new home. The lifetime mortgage will need to be repaid in full. If you're eligible for downsizing protection you will not have to pay an early repayment charge. This feature is only available on lifetime mortgages applied for on or after 08 April 2019. To benefit from downsizing protection, you need to have held your plan for three years or more. Please see your terms and conditions for more information.

Contact us

We're here to help you with any aspect of your lifetime mortgage.

Call us on 0800 158 4177

Monday – Friday: 9am to 5pm

We may monitor calls to improve our service.

Our office address is:

Aviva Equity Release UK Limited
PO Box 520
Surrey Street
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