

Additional borrowing

Aviva lifetime mortgages

You should read this along with your illustration and 'Tariff of charges' leaflet.



Borrowing more money on your lifetime mortgage

There may come a time when you'd like to borrow more money from your lifetime mortgage. This guide explains the process and fees involved. Please bear in mind that we can only accept an application for additional borrowing if you've received financial advice.

This is a lifetime mortgage. To understand the features and risks, ask for a personalised illustration.

Can I borrow more money?

The type of lifetime mortgage you've got will affect when you can apply to borrow more money. Your mortgage offer will tell you which lifetime mortgage you've got if you're not sure.

<ul style="list-style-type: none">● Fixed Rate Lifetime Mortgage● Cash Reserve Option● Index-Linked Lifetime Mortgage	<ul style="list-style-type: none">● Three years after you take out your lifetime mortgage, you can apply to borrow more money at any time.● You must wait three years from the last time you borrowed money before you can apply to borrow more. The exceptions to this are if you move home or change the ownership of the property.● If you're moving home or changing the ownership of your property you can apply to borrow more money at the same time provided it is at least 12 months since you last had additional borrowing.
<ul style="list-style-type: none">● Lifestyle Lump Sum● Lifestyle Lump Sum Max● Lifestyle Flexible Option	<ul style="list-style-type: none">● You can apply to borrow more money at any time.

We can't guarantee that we'll lend you more money. It will depend on our lending criteria at the time.

If you do borrow more money, it may affect your entitlement to welfare benefits and your tax position. It also means that the amount you can leave as inheritance will be reduced. In fact, unless you already have our inheritance guarantee, you may not be able to leave anything at all.

If you want to repay your additional borrowing early, you must repay all of your loans at the same time and an early repayment charge may apply.

To find out your outstanding balance and whether an early repayment charge applies, please visit **MyAviva**. Alternatively, we can provide you with this information over the phone or you can request a written statement. If you'd like more information about how our early repayment charges work, please download the guide applicable to the type of early repayment charge your lifetime mortgage is based on. If you're not sure, please refer to your offer document, call us or speak to your equity release adviser.

For Fixed Percentage early repayment charge please visit aviva.co.uk/adviser/documents/view/pf011601c.pdf.

For Variable Gilt Index early repayment charge please visit aviva.co.uk/adviser/documents/view/pf011612c.pdf.

For Variable Individual Gilt early repayment charge please visit aviva.co.uk/adviser/documents/view/pf011231c.pdf.

Talk to an equity release adviser

Your equity release adviser can help you decide whether additional borrowing is right for you. You can't take additional borrowing without receiving financial advice. If you don't have an equity release adviser you can find one near you at equityreleasecouncil.com

Simply choose '**Find a member**' and enter your **postcode**. Alternatively, you can give the Equity Release Council a call on **0300 012 0239**.

How much could I borrow?

The minimum additional borrowing you must take is £5,000. We'll calculate your maximum available borrowing using your current property value, your total loan balance against our maximum loan-to-value table. If the maximum available borrowing is less than £5,000, then you will not be able to apply for additional borrowing.

We'll provide you with a key facts illustration which will give an indication of how much you're able to borrow. The interest rate in the illustration is guaranteed for 21 days. This gives you a bit of certainty in a challenging economic market, while you decide whether going ahead with further borrowing is right for you. If you decide to apply we'll need to assess and revalue your property to obtain a current property valuation which is needed to help us accurately calculate your maximum available borrowing. If your property continues to meet our current lending criteria and the maximum available borrowing is £5,000 or above, we'll issue an offer document providing you with the exact amount you're able to borrow.

Cash Reserve Products - Lifestyle Flexible Option and Cash Reserve Option

If you have a product that allows access to a cash reserve, you must take a lump sum of £5,000 initially and you can also choose to set up a cash reserve. The minimum required to set up a cash reserve facility is also £5,000. You can draw money from your cash reserve as and when you need it and the minimum cash release is £500. The interest rate applied to each cash release will be the interest rate available at the time of borrowing.

Inheritance Guarantee

If you chose this option when you took out your lifetime mortgage, you won't be able to borrow as much from us because the loan amount will be based on the proportion of your property's value that's not guaranteed. If the guarantee restricts you from taking the amount of additional borrowing you need, you can consider removing or reducing it.

Your equity release adviser will discuss all available options with you and provide you with a key facts illustration.

No Negative Equity Guarantee

All our lifetime mortgages have a no negative equity guarantee. It means that neither you nor your estate will ever pay back more than your home is sold for, as long as your home is sold for the best price reasonably obtainable. You should read the Terms and Conditions booklet that we sent you with your Lifetime mortgage offer.

Will I get the same interest rate as I did for my original loan?

We'll offer you the interest rate that's current when we receive your application to borrow more money. The interest rate and loan amount will be guaranteed for 14 weeks from when we receive your application. If your application takes longer than 14 weeks to complete, we'll offer you the interest rate that applies on the next working day after the expiry date of the original 14 weeks. This new offer will be guaranteed for a further 14 weeks and could be higher or lower than the rate previously offered.

If the type of product you have is called the Lifestyle Flexible Option or Cash Reserve Option and you set up a cash reserve, you won't pay any interest on the money in the reserve until you take it out. We'll offer you the interest rate valid on the day you ask to take the money.

You can ask your equity release adviser for a key facts illustration or give us a ring on **0800 158 4177** to find out the current interest rate.

Why are the additional borrowing interest rates higher than my initial loan interest rate?

Often, the interest rates you receive on additional borrowing will be higher than the interest rate charged on your initial loan.

A lifetime mortgage is a long-term loan designed to last until you die or need long-term care subject to our Terms and Conditions. In some circumstances your total loan balance can be more than the value of the property, but with the No Negative Equity Guarantee we promise that you'll never have to pay back more than your property is sold for, as long as it's sold for the best price reasonably obtainable. Our interest rates include the cost of providing the No Negative Equity Guarantee.

Taking additional borrowing increases the likelihood of your total loan balance being more than the value of your property, so the cost of this is included within the additional borrowing interest rates.

What are the fees?

The information below will provide you with a description of the type of fees you are likely to pay when applying for additional borrowing. Our Tariff of Charges brochure will provide you with the exact fee amount which you can get by speaking to your equity release adviser or alternatively you can download a copy: aviva.co.uk/adviser/documents/view/pf01459c.pdf

Application fee

You must pay an application fee which covers the cost of setting up your additional borrowing. We'll deduct this from your loan amount.

Revaluation fee

We'll arrange for your property to be independently revalued, and the fee charged will depend on the estimated value of your property. Once the revaluation has taken place, we won't be able to refund the fee.

Re-inspection fee

You may have to pay a re-inspection fee if the valuer has to return to assess your property again for any reason.

When the valuer assesses your property, they may recommend that you need a specialist report. To be able to continue with your application, you will need to get this. If the report says that your property needs essential repairs then to satisfy the terms and conditions of your mortgage you must make sure these repairs are done to a sufficient standard, even if you don't end up borrowing any extra money.

When you've had the work done, the valuer may need to re-inspect your property. If this happens, you'll need to pay a re-inspection fee.

Legal fees


You won't have to instruct a legal adviser unless you're applying for extra money at the same time as moving or changing who owns your property. If this is the case, you'll be responsible for paying any legal fees.



Contact us

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

Call us on

 **0800 158 4177**

Lines open: Monday to Friday 9am to 5pm

Closed bank holidays

Calls may be monitored or recorded.

Write to us at:

Aviva Equity Release UK Limited

PO Box 520

Surrey Street

Norwich

NR1 3WG


Visit our website:

 **aviva.co.uk/equity-release**


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How to contact us

 0800 158 4177

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