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JUST.

JUST FOR YOU LIFETIME MORTGAGE

CUSTOMER GUIDE

AS UNIQUE AS YOU ARE

WHO ARE WE?

We are Just. We believe that everyone deserves a fair, secure and fulfilling retirement. We've helped hundreds of thousands of customers achieve a better later life, and we're here to help you get the most out of yours.

We're a retirement specialist and leader in using health and lifestyle information to provide individual, personalised solutions.

At Just, we want to do everything we can to help you make the best decision about your finances – we want to make things better. That's why we do our best to give you open and honest information, written in plain English.

We also believe it's important to treat you fairly from the moment you apply, throughout the entire time you have your lifetime mortgage with us.

So, with a Just For You Lifetime Mortgage you can be confident you're getting our best solution 'just for you', backed up by excellent service from experts who care.

At the 2023 Financial Adviser Service Awards, we won our sixteenth award in a row in the 'Mortgages' category.

We've already helped our customers release more than £6.7 billion of equity from their homes.

This guide will show you the financial benefits a Just For You Lifetime Mortgage can bring. You must speak with a financial adviser before taking out a lifetime mortgage with us. On page 10 there is a glossary of some of the terms used in this guide.

!!! Equity release reduces the value of your estate and may affect your entitlement to state benefits.

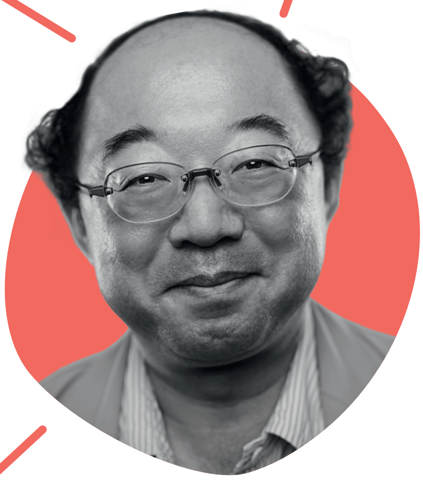
WHAT IS A LIFETIME MORTGAGE?

A lifetime mortgage is a form of equity release, and is a loan that's secured against your home. It allows you to borrow against the value of your home to raise money. People use a lifetime mortgage if they have important lifestyle choices, challenges or plans that they'd like help to finance.

Renovate the house

Holiday in your favourite destination

Norman is going to do some home improvements. What will you do?



Help family through university

Road trip

Pay off mortgage

Contribute towards family wedding

Keeping the car roadworthy

Anika is going to explore new places. What will you do?

Ease money worries

Help the kids get a new home

Using equity release to repay an existing mortgage or other debt may cost more in the long-term. Gifting money may be subject to inheritance tax.

THE JUST FOR YOU LIFETIME MORTGAGE AT A GLANCE

Every Just For You Lifetime Mortgage is uniquely built around you. If we understand your health and lifestyle, you may get a better interest rate or be able to borrow a higher amount. This means that, along with a flexible choice of options, our best solution can be tailored specifically to you.

1 No need to move

You can continue to live in your home and may benefit from further increases in its value.

2 Take extra amounts in the future

We've designed the Just For You Lifetime Mortgage to let you release an initial lump sum now, with the option to take extra amounts in the future.

3 No repayments

You won't have to make any monthly repayments for the length of your lifetime mortgage. However, our Just For You Lifetime Mortgage comes with the option for you to make monthly interest payments. You can only choose this when you apply. The mortgage will be repaid when you (or both of you if you are borrowing jointly) have died or moved into permanent long-term care.

4 Monthly payments

With a Just For You Lifetime Mortgage you can choose to make monthly payments between a minimum of £25 and a maximum of 100% of the monthly interest amount. Choosing to pay some or all of the interest could help you to reduce the overall cost of your loan.

5 No-negative-equity guarantee

Your lifetime mortgage includes a no-negative-equity guarantee. This means that when the property is sold after the last policyholder has died or moved into permanent long-term care, you or your beneficiaries won't have to repay more than the sale proceeds, as long as the terms and conditions of your lifetime mortgage have been met. This applies even if the sale price is less than the amount owed. There is no extra charge for this guarantee.

6 Medical underwriting

If you choose our medically underwritten option, the amount you can borrow is based on your individual circumstances, including your age, health and lifestyle.

7 Energy Performance Discount

Energy Performance Certificates (EPCs) show how energy efficient a building is. They give ratings ranging from A (very efficient) to G (inefficient).

A discount to the standard interest rate is available for properties with a valid EPC rating of A, B or C.

When you first apply for a Just For You Lifetime Mortgage, you can ask for a free EPC check on your home.

If you decide not to request a free EPC check, we'll check existing records to see whether your property already has an EPC rating.

A free EPC check will not be carried out on your home if it currently has a valid EPC rating of A, B or C, as the property already qualifies for the discounted rate.

If your property is eligible for a discount, it will be shown in the offer letter we send you.

YOUR OPTIONS

CASH FACILITY OPTION

A Just For You Lifetime Mortgage lets you release some of the value of your property as an initial cash lump sum and have a 'cash facility' that you can take additional advances from at a later date.

The total amount of your cash facility (including the initial advance) is based on your age and the value of your property, with a maximum unused facility of £200,000.

You can use your unused cash facility at any time, but each time you must take at least £500, up to the remaining amount in your facility.

The interest rate applied to each additional advance will be set when you apply for the advance. It may be worthwhile speaking to your adviser about the options available to you, as the interest rate applied to an additional advance could be higher or lower than that of your other loan(s) with us.

MEDICALLY UNDERWRITTEN OPTION

Your 'loan to value' is the percentage of your property's value that's available for you to borrow. If you choose our medically underwritten option, this percentage could be higher, depending on your individual circumstances, including your age, health and lifestyle. You may also benefit from a lower interest rate than our 'standard' option.

Your financial adviser can assess your eligibility for the medically underwritten option by using a health and lifestyle questionnaire that we provide. Although you don't have to answer the questions, all answers could affect whether you qualify for this option. We may check the medical information with your GP.

MONTHLY PAYMENT OPTION

Before a Just For You Lifetime Mortgage completes, you can usually choose to make monthly payments to cover some or all of the monthly interest amount.

The minimum amount is £25, up to a maximum of 100% of the monthly interest amount, and your chosen amount must be confirmed before your mortgage completes.

Your chosen monthly payment will be collected from your bank account by direct debit.

You can stop making monthly payments at any time as long as you give us one month's notice. Once you have stopped making monthly payments, you can't start making them again. Once payments have stopped, your loan will switch to a full roll-up interest basis for the rest of the term and the roll-up interest rate may be higher.

You can ask us for one payment holiday of up to three months in a row in each 12-month period after completion. However, you must give us one month's notice. Any interest not paid will be added to the loan and will build up on a compound basis. This means that interest will be charged on the amount of your mortgage, as well as the interest that's built up on it in previous months.

AM I ELIGIBLE?

As a general rule, to be eligible for a Just For You Lifetime Mortgage you must:

- be aged between 55 and 85
- own a property in the UK worth over £70,000 which is your main home, and
- have an acceptable property – your financial adviser will check this for you as we do have some restrictions.

You can have an outstanding mortgage and still apply for a lifetime mortgage, but your existing mortgage must be paid off when the funds from your Just For You Lifetime Mortgage are released. You can do this using the funds released or by another method.

Using equity release to repay an existing mortgage could cost more in the long-term.

Please see the table to the right for details of our eligibility rules depending on the options you have chosen.

Minimum age at application (youngest life)	55
Maximum age at application (oldest life)	85
Cash facility option	✓
Monthly payment option	✓ (£25 – 100% of the monthly interest amount)
Minimum initial advance if not making monthly payments	£10,000
Minimum initial advance if making monthly payments	£20,000
Maximum cash facility (including the initial advance)	£1,000,000 England, Wales and Scotland, £500,000 Northern Ireland

Please note that age requirements, minimum property values and maximum cash facilities vary across the range of options.

QUESTIONS AND ANSWERS

When you retire, perhaps some of the most important choices you're likely to face are the ones that involve getting the most out of your retirement income. To help you understand whether a lifetime mortgage is right for you, we've answered some of the most frequently asked questions below.

Q Will it affect my state benefits?

Some benefits are means-tested (they depend on your income and outgoings), so may be affected by the decision to release equity from your home. Examples include Pension Credit and Council Tax Reduction. You should make sure you have all the facts before you decide to go ahead. Your financial adviser will be able to give you more guidance on this.

Q What are the costs involved?

The costs you may have to pay are shown below.

Valuation fee (if any)

Covers the lender's costs for valuing the property. The valuation is for the lender's purposes only. You will pay this by cheque, with your application.

Specialist report fee

Covers the costs incurred in the event that a property specialist report is required, you'll need to arrange for the report to be produced and cover any costs yourself.

Legal fee

Covers the independent solicitor's costs for providing legal advice in relation to your lifetime mortgage. This fee will vary depending on your chosen solicitor and you'll need to cover any costs yourself.

Authorised financial adviser

You may be charged a fee for the advice and service they provide to you.

Please ask for a personalised illustration that shows the individual costs associated with your chosen lifetime mortgage. You can also ask us for a tariff of charges.

Q Should I discuss my plans with my family?

While the decision is always yours, we've found that keeping your family informed about your potential plans is a good idea. Some family members may be happy for you to consider equity release, others may not be.

Remember, when you die, repaying the mortgage and interest will reduce the value of your estate. So, it's important to check out all your options carefully.

Q How is interest charged on the money I borrow?

The interest rate you're charged for your initial advance will be set according to our interest rates at that time. The rate is fixed and so guaranteed not to change over the lifetime of your mortgage. The only time the interest rate would change is if you received a reduction to the roll-up interest rate, due to you paying some or all of your monthly interest amount and then stopping any monthly payments. If you're eligible for additional advances in the future, the interest rate for those advances will be set at that time and may be higher or lower than the rate you're paying on your initial advance. If you have a cash facility, the interest rate charged on the initial advance and any additional advances will be higher than if you did not have a cash facility.

The interest rate charged on your lifetime mortgage will build up on a compound basis for any part of the loan that you don't make monthly payments on. This means interest will be charged on the amount of your mortgage as well as all the interest that has built up in previous months. The total mortgage, including this interest, is repaid when you (or both of you if borrowing jointly) die or move permanently into long-term care. This is normally done by selling your property.

QUESTIONS AND ANSWERS (CONTINUED)

Q What if my circumstances change?

Moving house

If you want to move home you may be able to transfer your lifetime mortgage to a new property if we find the new property acceptable. If you transfer your lifetime mortgage to a new property, we may reduce your cash facility and you may need to repay some of the amount owed.

Additional borrowing

When you've used your cash facility, you can consider applying to us for additional borrowing. Depending on your circumstances, the value and condition of the property and our lending criteria at the time, we may agree to provide additional borrowing. You'll need to seek financial advice to arrange any additional borrowing outside of your pre-agreed cash facility.

Property title changes

If you want to make a change to the legal title to your property, sell part of the land, or formalise a right of way, you'll need to get our approval. You'll have to pay our legal and reinspection valuation fees, which will depend on the nature of the proposed change. The reinspection fee is based on the estimated value of your property.

Optional partial repayments

You can repay some of your lifetime mortgage without having to pay an early repayment charge as long as you're not making any monthly payments. You can pay back up to 10% of each advance amount in each 12-month period after completion. If you are making monthly payments you can still make partial repayments. However, an early repayment charge may apply.

Early repayment charge

Your lifetime mortgage is designed to be repaid after you (or both of you, if you are borrowing jointly) have died, or moved permanently into long term care. You may have to pay this charge if you overpay more than your mortgage terms allow, or you repay the mortgage early. You can find details about this charge in your offer document.

You may also need to pay an early repayment charge if you pay back more than 10% of an advance amount in any 12-month period after the completion date of the advance.

We have a separate guide that explains the early repayment charge in greater detail. Please call us or speak to your financial adviser if you would like a copy.

THINGS TO REMEMBER

- The interest rate you pay on your initial advance will be fixed at the time you take out your mortgage, and is guaranteed not to change. The only time the interest rate would change is if you received a reduction to the roll-up interest rate due to paying some or all of your monthly interest amount and then stop making any monthly payments. If you have a cash facility and take an additional advance, the interest rate for that will be set at that time and may be higher or lower than the rate you're paying on your initial advance.
- Any interest that's not being paid monthly will build up on a compound basis. This means that interest will be charged on the amount of your mortgage, as well as the interest that's built up in previous months.
- The total amount you owe, including any interest, will usually be repaid from the money made from selling the property when you die or move into permanent long-term care.
- As with any mortgage arrangement, it's a decision which you will need to consider carefully.
- Your lifetime mortgage is designed to be repaid after you (or both of you, if you are borrowing jointly) have died, or moved permanently into long term care. You may have to pay an early repayment charge if you overpay more than your mortgage terms allow, or you repay the mortgage early. You can find details about this charge in your offer document.
- Lifetime mortgages aren't right for everyone and may affect your entitlement to state benefits.
- Lifetime mortgages will reduce the value of your estate.
- We don't consider that lifetime mortgages are a suitable product for customers looking to raise capital to invest, and we won't lend to you if you intend to borrow for this purpose.
- A lifetime mortgage is a loan secured against your home.

GLOSSARY

Additional advance	An amount of money you take from the unused cash facility after taking the initial advance.
Additional borrowing	Additional funds you borrow outside of any pre-agreed cash facility. Financial advice is required to arrange this and additional borrowing is not guaranteed.
Advance	Any amount of money we pay to you as a loan secured against your home.
Amount owed	The total amount of money that you must pay us in connection with your lifetime mortgage.
Cash facility	A fixed amount of money, shown in your offer, from which you will take the initial advance and which you can use to take additional advances as you need them.
Early repayment charge	Your lifetime mortgage is designed to be repaid after you (or both of you, if you are borrowing jointly) have died, or moved permanently into long term care. You may have to pay this charge if you overpay more than your mortgage terms allow, or you repay the mortgage early. You can find details about this charge in your offer document.
Initial advance	The amount of money shown in your initial advance offer that you take from your cash facility when your lifetime mortgage completes.
Loan to value	This determines the maximum percentage of the property value that may be available, based on your age. The maximum percentage available may also be based on your health and lifestyle, if you qualify for our medically underwritten option. Our medically underwritten option is based on health and lifestyle information, and we may contact your GP to check the information we receive.
Long-term care	A time when, due to your physical or mental medical condition, you are no longer able to live in your property and you are receiving care away from the property on a permanent basis.
Monthly payments	The amount you've chosen to pay each month to cover some or all of the interest amount.
Payment holiday	A pre-approved period of time during which you choose to stop making monthly payments on your lifetime mortgage.
Roll-up interest basis	A lifetime mortgage where the interest charged is added to the loan amount and future interest is charged on the total amount owed.
Unused cash facility	The amount of money left in the cash facility available for you to take additional advances from (after you've taken your initial advance and any other additional advances).

WE ARE A MEMBER OF THE EQUITY RELEASE COUNCIL

The Equity Release Council is an organisation supported by leading providers of equity release. It was created to make sure that equity release products are safe and accessible for consumers.

The Equity Release Council exists to promote high standards of conduct and practice in providing equity release. Members must:

- make sure that all their actions promote public confidence in equity release as a potential retirement solution
- act at all times in utmost good faith
- make sure conflicts of interest are managed fairly and reduced to the lowest practical level
- use skill and care in all that they do and uphold the standards set out by their professional bodies at all times, and
- always act with the best interests of their clients in mind, treating customers fairly in all their actions.

Members are only allowed to tell you that a product meets the product standards if it meets all of them. The Equity Release Council product standards are as follows.

- For lifetime mortgages, the interest rate for each advance must be fixed or, if it's variable, there must be a 'cap' (upper limit) which is fixed for the life of the loan.
- You must have the right to stay in your property for life or until you need to move into long-term care, as long as the property remains your main home and you keep to the terms and conditions of your contract.
- You have the right to move to another property as long as the new property is acceptable to your product provider as continuing security for your equity release loan.
- The product must have a 'no negative equity guarantee'. This means that when your property is sold after the last borrower dies or moves into long-term care and agents' and solicitors' fees have been paid, even if the amount left is not enough to repay the outstanding loan to your provider, neither you nor your estate will have to pay any more.
- All customers taking out new equity release loans which meet the Equity Release Council's standards must have the right to make repayments without having to pay a penalty, as long as the terms and conditions of the loan have been met.

These product standards mean you can use equity release products in confidence, knowing that you will be able to stay in your home for the rest of your life or until you enter long-term care.

Proud to be a Member of the
Equity Release Council

FOR MORE INFORMATION

Call: **01737 233 297**
Lines are open Monday to Friday, 8.30am to 5.30pm.

Email: **support@wearejust.co.uk**

Or visit our website for further information: **wearejust.co.uk**

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