



# Porting application guide **for advisers**



## How will this guide help you?

Moving house is a stressful process at any age, but if your client is also porting their Lifetime Mortgage, there are some additional steps they will need to take. Your support could prove invaluable to help them through the process.

In this guide, you will gain a clear understanding of the porting process at Royal London Equity Release so that you can answer your client's questions with confidence.

## What will the porting process look like for your client?

There are many reasons why your client may choose to port their Lifetime Mortgage, but how this will affect them depends on their circumstances, their product type and their purchase property value.

We include a porting application form in our customer pack. If your client needs a replacement, we can send one separately upon request. You can also download a porting application form from our website.

We recommend that if your client would like to port their Lifetime Mortgage, they complete it as soon as possible. Once they have submitted an application to us, we will begin the porting process.

During the porting process, several different teams will be involved, including:

- A case handler - a member of our Underwriting Team who will be assigned to handle each case.
- A solicitor - who will handle the legal requirements of the new property, legal documentation, and completion and transfer of ownership.
- An estate agent - who we will contact to better understand the property your client is purchasing.

## What happens next?

We calculate the loan to value (LTV) using your client's outstanding balance on the predicted date of porting. This includes any interest that will have accrued by this date (including any unused drawdown facility) and the sale price of their current property.

For example, if their current LTV is 45%, then the maximum LTV that can be ported over to their new property is 45%. This means, if they are moving to a property that is of lower value, a partial repayment may be required and/or a reduction in their facility.

This is a key element to consider when offering your client advice, as downsizing to a property of lower value could affect their financial planning.

## How long will it take to port the Lifetime Mortgage?

In our experience a porting application may take up to 20 weeks to complete. It is important to note that each case is unique, depending on your client's circumstances and the property they are moving to.



## The process, step-by-step



### Step one - The application

Once we've received your client's application form and the required fees, we'll get to work processing their application, carrying out the same checks that we made when they took out their initial loan.

If we deem the property unsuitable for porting, the application will be declined. In this situation, there are a few options that your clients can consider:

- If they still want to move to their chosen property, we'll waive early repayment charges if their Lifetime Mortgage is over five years old.
- If they'd prefer to look for a different property, we'll honour their application fee for six months while they search.

If their property doesn't meet our criteria, the case handler will contact your client to discuss their options.

If the property they are moving to fits within our lending criteria, we'll send your client an offer to review. The application stage usually takes about three weeks, although this may vary if we need more information to complete our checks on the new property.





## Step two - Porting offer

Your client and their solicitor will receive a new mortgage offer. This will include details of the agreement, such as any partial repayments needed or special conditions that must be met before or after completion.

The porting offer is valid for 90 days. If the expiry date is approaching, we can extend the offer twice, with each extension lasting 30 days. After a total of 150 days, we'll issue a brand-new offer document to your client and their solicitor.

We can only extend the offer up to the expiry date of the valuation report, which is six months from the day the survey took place. Once the valuation report expires, we'll need a new valuation report to extend the offer, and a new valuation fee will need to be paid.



## Step three - Offer to completion

This is usually the longest part of the process, as it involves conveyancing. This step begins when the offer is sent to your client's solicitor. The progress of the solicitors will determine whether we need to extend the offer or issue a new one.

Your client's solicitor will work with our solicitor to carry out the usual property and area checks involved in buying and selling a property. These checks depend on the type and location of the property. For example, our solicitors will check the local authority, environment, and land registry. How this information is held (publicly or privately) may affect how long it takes to confirm everything is acceptable.

We'll do everything we can to reach completion as quickly as possible. However, the completion date must be agreed upon by both solicitors.

# How much will it cost my client to port their Lifetime Mortgage?

## Application fee

To begin your client's porting application, we require an application fee payment of £500. This fee is non-refundable.

If their initial porting application falls through due to no fault of their own, your client can reapply to port to a new property without paying another application fee, providing they apply within 6 months of the initial application fee being paid.

If 6 months has passed before submitting a new porting application, a new £500 porting fee will be required.

## Porting valuation fees

Estimated valuation/purchase price	Fee (inclusive VAT)
£125,000 - £150,000	£168
£150,001 - £200,000	£204
£200,001 - £300,000	£228
£300,001 - £450,000	£300
£450,001 - £600,000	£360
£600,001 - £750,000	£480
£750,001 - £900,000	£600
£900,001 - £1,000,000	£720
£1,000,001 - £1,100,000	£1,080
£1,100,001 - £1,200,000	£1,320
£1,200,001 - £1,500,000	£1,500

For properties over £1.5 million, we will provide a bespoke quotation. Please be aware that valuations are valid for up to 6 months from the inspection date.

## Early repayment charges

If your client is required to make a partial repayment to reduce your outstanding balance, early repayment charges are not applicable.

Early repayment charges will apply if your client repays their loan more than five years after their initial advance, because they have sold their home and are moving to a property that does not meet our lending criteria.

### Any questions?

If you have a question about the porting process or need support with a specific case, reach out to our Broker Support Team today.

They are available Monday-Friday, 9am-5pm, excluding bank holidays. You can reach them by calling 01752 858 222 and selecting option 1 or emailing [bdteam@royallondonequityrelease.com](mailto:bdteam@royallondonequityrelease.com).



[equityrelease.royallondon.com/adviser/contact-us](https://equityrelease.royallondon.com/adviser/contact-us)

Your clients will have received a more in-depth version of this guide. If you would like to download our customer-facing guide, you can find it on our website at [equityrelease.royallondon.com/helpful-resources](https://equityrelease.royallondon.com/helpful-resources)



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