

Lending criteria

Core product range



Lifetime Mortgage product overview

Our Core product range has been designed to meet the needs of homeowners across England, Wales and Scotland, with flexible underwriting and 15 years of Early Repayment Charges. The key information about this product is outlined below:

Standard product

Our Standard product allows an applicant to borrow at least £10,000 as an initial lump sum up to a maximum of £1,000,000 in England and £540,000 in Wales and Scotland.

The minimum property value is £125,000 (£150,000 if an ex-local authority property) and maximum is £2,000,000 in England and £1,000,000 in Wales and Scotland.

Drawdowns are available on both products.

Product eligibility

Our products are available to applicants who:

- Own (or are purchasing) a property in England (including Isle of Wight), Wales or mainland Scotland. The property must be the applicant's main residence.
- Are at least 55 years old and up to 84 years and 364 days (we can accept joint applications for homeowners over this age, providing the youngest applicant meets this criteria).
- Have the right to permanently reside in the UK.

Premier product

Our Premier product is available for properties in England, Wales and Scotland and is designed for properties worth over £2,000,001, with no maximum property value.

The minimum loan amount is £100,000 and loans over £2,000,000 are subject to approval.



Get in touch with our Business Development Team

For any further information about eligibility, or our products in general, our dedicated Business Development Team are on hand via phone and email to support you.

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Standard product

Loan to value (LTV) table

| Products | Lump sum | | Drawdown | |
|----------|----------|--------|----------|--------|
| | SL | JL | SL | JL |
| Age | | | | |
| 55 | 22.50% | 21.50% | 18.50% | 17.50% |
| 56 | 23.50% | 22.50% | 19.50% | 18.50% |
| 57 | 24.50% | 23.50% | 20.50% | 19.50% |
| 58 | 25.50% | 24.50% | 21.50% | 20.50% |
| 59 | 27.00% | 26.00% | 22.50% | 21.50% |
| 60 | 29.00% | 28.00% | 24.00% | 23.00% |
| 61 | 30.00% | 29.00% | 25.00% | 24.00% |
| 62 | 31.00% | 30.00% | 26.00% | 25.00% |
| 63 | 32.00% | 31.00% | 27.00% | 26.00% |
| 64 | 33.00% | 32.00% | 28.00% | 27.00% |
| 65 | 34.00% | 33.00% | 29.00% | 28.00% |
| 66 | 34.50% | 33.50% | 30.50% | 29.50% |
| 67 | 35.00% | 34.00% | 31.50% | 30.50% |
| 68 | 36.00% | 35.00% | 32.50% | 31.50% |
| 69 | 37.00% | 36.00% | 33.50% | 32.50% |
| 70 | 38.00% | 37.00% | 35.00% | 34.00% |
| 71 | 39.00% | 38.00% | 36.00% | 35.00% |
| 72 | 40.00% | 39.00% | 37.00% | 36.00% |
| 73 | 41.00% | 40.00% | 37.50% | 36.50% |
| 74 | 42.00% | 41.00% | 38.50% | 37.50% |
| 75 | 43.00% | 42.00% | 39.50% | 38.50% |
| 76 | 44.00% | 43.00% | 40.00% | 39.00% |
| 77 | 44.50% | 43.50% | 41.00% | 40.00% |
| 78 | 45.50% | 44.50% | 42.00% | 41.00% |
| 79 | 46.50% | 45.50% | 43.00% | 42.00% |
| 80 | 48.00% | 47.00% | 44.00% | 43.00% |
| 81 | 48.00% | 47.00% | 44.00% | 43.00% |
| 82 | 48.00% | 47.00% | 44.00% | 43.00% |
| 83 | 48.00% | 47.00% | 44.00% | 43.00% |
| 84 | 48.00% | 47.00% | 44.00% | 43.00% |

Important details:

SL - Single Life | JL - Joint Life

Applicants are able to restrict the maximum available facility.

Please see page 4 for Premier table.



Premier range

Loan to value (LTV) table

| Age | SL | JL |
|-----|--------|--------|
| 55 | 18.50% | 17.50% |
| 56 | 19.50% | 18.50% |
| 57 | 20.50% | 19.50% |
| 58 | 21.50% | 20.50% |
| 59 | 22.50% | 21.50% |
| 60 | 24.00% | 23.00% |
| 61 | 25.00% | 24.00% |
| 62 | 26.00% | 25.00% |
| 63 | 27.00% | 26.00% |
| 64 | 28.00% | 27.00% |
| 65 | 29.00% | 28.00% |
| 66 | 30.50% | 29.50% |
| 67 | 31.50% | 30.50% |
| 68 | 32.50% | 31.50% |
| 69 | 33.50% | 32.50% |
| 70 | 35.00% | 34.00% |
| 71 | 36.00% | 35.00% |
| 72 | 37.00% | 36.00% |
| 73 | 37.50% | 36.50% |
| 74 | 38.50% | 37.50% |
| 75 | 39.50% | 38.50% |
| 76 | 40.00% | 39.00% |
| 77 | 41.00% | 40.00% |
| 78 | 42.00% | 41.00% |
| 79 | 43.00% | 42.00% |
| 80 | 44.00% | 43.00% |
| 81 | 44.00% | 43.00% |
| 82 | 44.00% | 43.00% |
| 83 | 44.00% | 43.00% |
| 84 | 44.00% | 43.00% |

Important details:

SL - Single Life | JL - Joint Life

Both Lump Sum and Drawdown are the same LTV%



Property criteria

*Case-by-case situations are to be evaluated on individual contingencies.

Property type

Acceptable

Freehold houses and bungalows.
 Absolute ownership (Scotland).
 Leasehold flats, maisonnettes and studios.
 Leasehold houses and bungalows where local authority is not freeholder.
 Flying freehold up to 15% of the total floor area. Where the property is a modern coach house above garages or a vehicular access way, flying freehold criteria does not apply.

Unacceptable

Freehold flats unless the applicant also owns the leasehold.
 Possessory titles which cover the property and/or majority of the plot.
 Flying freehold over 15% of the total floor area.
 Properties with restrictions on occupancy.

Case-by-case

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If a property is leasehold, the following minimum lease terms apply:

| Youngest applicant age | Minimum lease term remaining at application |
|------------------------|---|
| 55-60 | 125 years |
| 61-65 | 119 years |
| 66-70 | 114 years |
| 71-75 | 109 years |
| 76-80 | 104 years |
| 81+ | 100 years |

Construction

Acceptable

Cavity with outer walls of brick/block/stone (can be rendered).
 225mm solid brick or stone.
 Post 1970 timber frame with brick/stone/rendered blockwork.
 Partial timber cladding acceptable up to 50% of property.
 Period timber frame pre 1900.
 Post 2000 steel frames.
 Poured in situ no fines construction (built post 1940).
 Wattle and Daub.
 Cross wall construction (built post 1960).
 Laing easi-form cast in situ cavity wall construction (built post 1940).
 Clay lump construction (e.g. Norfolk clay lump).

Unacceptable

Mundic.
 PRC.
 Pre-1970 timber frame (unless pre 1900 period style).
 Timber framed, majority timber clad properties.
 Steel frame houses and bungalows.
 Steel frame flats built pre-2000.
 Laing Easiform solid concrete wall construction (pre-1940).
 LPS houses/bungalows/flats.
 Prefabricated properties.
 Modern methods of construction (MMC).

Case-by-case

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Roof

Acceptable

Pitched tile/slate.

Thatched roof of reed or straw, provided they are in good condition.

Flat roof up to 100% on LTV 1-3.

Flat roof up to 50% of habitable areas on LTV 4-12.

Spray foam applied during construction of property provided BBA approved, guaranteed and building certificates are available.

Unacceptable

Roofs treated internally or externally with coatings/foam after original construction.

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Case-by-case

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Ground Rent and service charges

Acceptable

Service charge is equal to or less than £2,500 outside of London.

Service charge is equal to or less than £3,500 inside of London.

Increasing ground rent is acceptable if it doubles every 25 years and falls within the acceptable parameters.

Ground rent equal or below 0.25% of the property value.

Unacceptable

Ground rent which increases over and above the retail price index (RPI)

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Case-by-case

Service charge is more than £2,500 outside of London.

Service charge is more than £3,500 inside of London.

Ground rent over 0.25% of property value.

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Flats and maisonettes

Acceptable

Flats/maisonettes acceptable in blocks up to 4 storeys in height.

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–

Unacceptable

Ex-local authority flats.

Tyneside flats.

–

–

Case-by-case

Studio flats.

Blocks greater than 4 storeys can be considered but only if the property is considered to be in an affluent or prestigious area.

Rent and estate changes

Acceptable

Rent charge under £25.

Estate rent charges up to 0.1% of the property value.

Unacceptable

Third party management companies/agents

Case-by-case

Rent charges over 0.1% of the property value.

LTV to be calculated based on 85% of the value.

Solar panels

| Acceptable | Unacceptable | Case-by-case |
|-------------------------------------|--------------|----------------------|
| Solar panels owned by the borrower. | – | Leased solar panels. |

Business use

| Acceptable | Unacceptable | Case-by-case |
|---------------------------------------|--|--------------|
| One room used as a home office/study. | Properties (including outbuildings and plot) used for commercial or business purposes. | – |

Location and infrastructure

| Acceptable | Unacceptable | Case-by-case |
|--|---|---|
| Small overhead lines such as telephone lines. | Properties above or directly attached to commercial premises. | Properties where commercial premises are visible from the property. |
| Smaller sub-stations located on residential streets. | Properties where the valuer indicated that saleability will be affected by proximity to infrastructure or commercial premises such as railways etc. | – |
| – | Close proximity to high voltage apparatus such as pylons and sub stations. | – |
| – | | – |
| – | | – |

Acreage

| Acceptable | Unacceptable | Case-by-case |
|--|--|--------------|
| Standard products - properties with up to 5 acres of land. | Standard products - properties with more than 5 acres of land. | – |
| Premier products - no limit on acreage but only the property itself and the immediate surrounding formal gardens (up to 5 acres) will be valued. | – | – |
| | – | – |

Drainage

| Acceptable | Unacceptable | Case-by-case |
|---|--------------|---|
| Private drainage e.g septic tanks. | – | Shared drainage between more than 4 properties. There must be a formal agreement in place for access and maintenance. |
| Shared drainage e.g septic tanks between up to 4 properties. There must be an formal agreement in place for access and maintenance. | – | |
| | – | |
| | – | |

Annexes

| Acceptable | Unacceptable | Case-by-case |
|--|--|--------------|
| Acceptable providing there are no more than two units (main residence and annexe). The annexe can have its own living areas and must be on the same title and council tax as the main residence. | Annexes which are let out. | – |
| Annexes with shared services and utilities (gas, electricity, water etc). | Annexes with a separate title and/or separate council tax. | – |
| Annexes occupied by relatives. | – | – |
| | – | – |
| | – | – |

Listed properties

| Acceptable | Unacceptable | Case-by-case |
|---|---------------------|--------------|
| Grade 2 Listed/Grade C (Scotland) properties are acceptable provided there is a market for the property in the locality and is in good condition. | Grade 1. | – |
| | Grade 2*. | – |
| | Grade A (Scotland). | – |
| | Grade B (Scotland). | – |

Un-adopted/unmade roads

| Acceptable | Unacceptable | Case-by-case |
|--|---|--------------|
| Unadopted or unmade roads in good condition. | Unadopted or unmade roads in bad condition. | – |
| – | Unmade roads that serve as a through road. | – |

Flooding

| Acceptable | Unacceptable | Case-by-case |
|--|---|---|
| Acceptable - Flood checks are carried out on every application received. We use a specialist flood risk analysis platform to provide accurate current data. We allow for results up to 20% risk score. | Flood score over 20%. Properties which have flooded in the last 5 years. Properties with a history of flooding relating to surface water. | Properties which flooded more than 5 years ago are acceptable, provided that the flooding is classed as an isolated event and insurance can be obtained under normal terms. Must be no more than 20% flood score. |

Applicant criteria

*Case-by-case situations are to be evaluated on individual contingencies.

Bankruptcy

| Acceptable | Unacceptable | Case-by-case |
|---|--|--------------|
| Discharged bankruptcy over 6 years ago. | Undischarged bankruptcy - Discharged bankruptcy within last 6 years. | - |

IVA

| Acceptable | Unacceptable | Case-by-case |
|---------------------------------|--|--------------|
| Completed IVA over 6 years ago. | Outstanding IVA - Completed IVA within last 6 years. | - |

Debt management plan

| Acceptable | Unacceptable | Case-by-case |
|------------|-----------------------------------|--------------|
| - | Outstanding debt management plan. | - |

CCJs

| Acceptable | Unacceptable | Case-by-case |
|---|---|--------------|
| No more than 3 satisfied CCJs within the last 5 years. | Greater than 3 unsatisfied CCJs with a combined total of £3,000 or greater. | - |
| No more than 3 unsatisfied CCJs with a combined total of £3,000. The customer must be willing to settle the CCJs by or upon completion of the loan. | - | - |

Tenants/lodgers

| Acceptable | Unacceptable | Case-by-case |
|--|--|--------------|
| Maximum of two lodgers, including those with formal agreements providing notice to end is less than one month. An occupancy waiver form must be signed by all lodgers. | Properties with tenants with an assured shorthold tenancy agreement. | - |
| | - | - |

Defaults

| Acceptable | Unacceptable | Case-by-case |
|---|---|--------------|
| No more than 3 defaults with a combined total of £10,000 or less, provided there is a satisfactory reason for the default(s) and the customer is willing to settle the default(s) by or upon completion of the loan | <p>More than 4 defaults, no matter the value</p> <p>Total defaults in excess of £10,000.00</p> <p>Unwilling to settled any defaults</p> | – |

Charging orders

| Acceptable | Unacceptable | Case-by-case |
|---|--|--------------|
| No more than 3 charging orders, with a combined total of £3,000 | Charging orders with total excess £3,000 | – |

Tenants in common

| Acceptable | Unacceptable | Case-by-case |
|--------------------------------------|--------------|--------------|
| Tenants in common, no maximum split. | – | – |

Arrears

| Acceptable | Unacceptable | Case-by-case |
|---|---|--------------|
| Credit account is > 2 payments in arrears the account must be consolidated at completion or can demonstrate they will be substantially better off each month where they are reducing other debts. | Not willing to consolidate or will not be better off each month | – |

Power of attorney

| Acceptable | Unacceptable | Case-by-case |
|--|--|--------------|
| Court of protection stamped power of attorneys. | Power of attorney who is party to the Lifetime Mortgage. | – |
| Lasting power of attorney/ Enduring power of attorney on further borrowing only. | Joint applicants where one applicant is power of attorney for the other. | – |



Get in touch with our Business Development Team

For any further information about eligibility, or our products in general, our dedicated Business Development Team are on hand via phone and email to support you.

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