

Borrowing into Retirement – Criteria Highlights

Mortgages for applicants taking a mortgage term past the age of 70 and those aged 70 and over at application

LTV (product dependent)

- Maximum 70% purchase and re-mortgage (**Note:** Home improvement, Transfer of Ownership, family reasons e.g. University fees, wedding, lifetime gift, deposit for children are acceptable. Debt consolidation, deposit for a 2nd home or capital injection for business are not acceptable)

Loan size

- Maximum £350,000 (product dependent), Minimum £25,000

Term

- Maximum 25 years (no maximum age)

Borrowers

- Maximum two borrowers per application

Income

- 4.5 times joint or single before retirement (up to age 70)
- 3.5 times joint or single in retirement (from age 70)
- 100% of evidenced pension income, dependent on the features and applicants intentions
- 50% of investment income may be considered
- Applicants already in retirement, who are wholly reliant on state benefits alone, will not be considered
- Earned income can be used up to age 70 or declared retirement age, whichever is sooner
- Credit Check not Credit Score

Property

- Purchase or re-mortgage of property in mainland England and Wales for applicants own use

Repayment Strategy

- Capital Repayment, Interest Only or combination (product dependant)
- Interest Only – sale of mortgaged property is an acceptable repayment strategy – applicants need to complete a declaration as part of the mortgage offer documentation.

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