

Equity Release – Interest rates

Date issued: Monday 8 March 2021 Live date: Wednesday 10 March 2021	Applicable to: Interest rates
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Headlines

From Wednesday 10th March 2021 interest rates will increase, decrease, or remain the same on both the Lifestyle Lump Sum Max and Lifestyle Flexible Option, on new business only.

New Business

Illustrations:

- All pre-sales illustrations produced on or after Wednesday 10th March 2021 will automatically be processed using the new interest rates on Flex Tool version 10.03.21

Applications:

- We will accept a Personal Quote Summary (PQS) using Flex Tool version 12.02.21 until Tuesday 16th March 2021.
- If the property valuation is outside 10% of the estimate, please include a new PQS using Flex Tool version 10.03.21.
- If the property valuation is within 10% of the estimate, please include the original PQS.

Transitional arrangements - where the rate has decreased and stayed the same:

- All applications received on or after Wednesday 10th March 2021 will be processed as per the PQS submitted and based on normal Flex Tool rules being applied.
- Where terms have been offered and the customer wishes to make an alteration to the loan, the new offer will be based on Flex Tool version 10.03.21.
- If an initial offer expires on or after Wednesday 10th March 2021, we will issue a new PQS based on Flex Tool version 10.03.2021 which will be guaranteed for 14 weeks.

Transitional arrangements - where the rate has increased:

- For new business applications received between Wednesday 10th March 2021 and Tuesday 16th March 2021, the offer issued will be based on the PQS received, as per normal Flex Tool rules. We will only accept a PQS using Flex Tool version 12.02.21 and 10.03.21.
- All new business applications received from Wednesday 17th March 2021 will be processed using the new interest rate based on Flex Tool version 10.03.2021.
- Where terms have been offered and the customer wishes to make an alteration to the loan, the new offer will be based on Flex Tool version 10.03.21.
- If an initial offer expires on or after Wednesday 10th March 2021, we will issue a new 14 re-offer based on Flex Tool version 10.03.2021.

Additional Borrowing

Lifestyle Flexible Option (LFO), Lifestyle Lump Sum Max (LLSM) and all products closed to new business.

There are no changes to the interest rates on additional borrowing. The below shows the current rates applicable from Friday 18th December 2020.

	With Inheritance Guarantee	Without Inheritance Guarantee
LFO	5.27%	5.10%
LLSM	6.33%	6.33%

Reserve Release Rates

Lifestyle Flexible Option (LFO) and Cash Reserve Option (CRO)

There are no changes to the interest rates on reserve release. The below shows the current rates that went live from Friday 18th December 2020.

	With Inheritance Guarantee	Without Inheritance Guarantee
LFO	3.78%	3.61%
CRO	N/A	3.61%

The interest rate will be based on the day the reserve release is requested; it will not be based on the day the money is paid/ released.

Contact Us

If you have any questions, please email:

equityreleasefapresales@aviva.com for new enquires or LPEQREN@aviva.com for existing applications.