

At a Glance



Second Home Options

What is it?

Unlike traditional lifetime mortgages where the loan is secured on the main residence, our Second Home Options are secured on a second home.

How do we define a second home?

A second home is a property that:

- Must be available for the sole occupancy of the owner
- If let-out, must be let-out for only a maximum of 4 weeks at a time
- Must be used by the homeowner for a minimum of 4 weeks every year

Who is this product likely to appeal to?

- Customers who want a cash lump sum
- Customers who own more than one home
- Customers who want the freedom to choose whether they pay off any of their lifetime mortgage balance
- Customers who want access to extra health and wellbeing benefits

Voluntary contributions	
Voluntary contribution amount	Up to 10% of the initial loan amount each year, without an ERC. If the completion fee is added to the loan balance (rather than paid at completion), it is included in the 10% allowance.
Annual allowance	The annual allowance is renewed on the anniversary of the date the mortgage completes. Any unused allowance does not roll over into the following year.
What is the minimum contribution amount?	The minimum payment amount is £50.
What is the maximum contribution amount?	The maximum payment amount is the full 10% allowance, as stated in your customer's Offer Letter.
How soon can they make their first contribution?	The first payment can be made on the day following completion.
How frequently can a contribution be made?	There are no restrictions. Payments can be made at any frequency, from day one of completion of the initial advance or additional borrowing.
How can a contribution be made?	Payments can be made by cheque, bank transfer or standing order. We always enclose a Standing Order form with your customer's Welcome Letter.
Penalty for not making a contribution	Customers are not penalised if they do not use their annual payment allowance.
Circumstances in which payments can't be accepted	We will be unable to accept a payment if: <ul style="list-style-type: none"> • The reference number is not quoted on the payment • The account we receive the payment from is not in the name of one, or both, mortgage account holders • The account we receive the payment from is not a UK bank account • The account we receive the payment from is a business account • It is less than £50 for an individual account • It exceeds the maximum amount the customer is allowed to pay back



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Criteria	
Minimum loan amount	£10,000.
Maximum loan amount	£750,000, nationwide.
Minimum age of youngest borrower	55.
Maximum age of youngest borrower	90 (at the date of completion).
Minimum property value	£70,000.
Maximum property value	£12 million, nationwide. Properties above £12 million are reviewed on a case by case basis.
Property location	England, Scotland and Wales.
Minimum occupancy by owner	Your customer must use their second home for a minimum of 4 weeks per year.
Maximum occupancy by others	The property must not be let out for more than four weeks at a time.
Formal tenancy agreements	No formal agreements or Assured Shorthold Tenancies can be in place.
Advertising	The property cannot be advertised, for example through an agency or online.

Product features	
Early repayment charges (ERCs)	Fixed for the first 8 years after the completion of the initial advance or further advance. Not applicable thereafter. Please refer to our Guide to Fixed ERCs.
Ability to port the mortgage?	Yes, subject to the property meeting our lending criteria at the time.
Covered by Equity Release Council product standards?	This product does not meet all of the product standards as it is not secured on the borrowers' main residence. The following product standard does not apply: <ul style="list-style-type: none">• The right to remain in the property However, the remaining product standards do apply: <ul style="list-style-type: none">• No Negative Equity Guarantee• fixed interest rates• the right to move the loan to another property• the option to make voluntary repayment contributions
Keeping your customers informed	They will receive an Annual Statement detailing their account.
WeCare	Full access to WeCare, a virtual health and wellbeing service, 24/7. Includes health and medical, mental health, and financial and legal wellbeing support.

Additional borrowing	
What types of additional borrowing can be taken?	Customers can take additional borrowing through a cash reserve facility (if a flexible product option was chosen), or a further advance. Please see below for more information.
What LTV is available for additional borrowing?	A cash reserve facility's amount is fixed before the outset of the mortgage, and is based on the historic LTV of the product that was secured initially at loan completion. The LTV available for a further advance will be capped at the prevailing LTV at the time a customer chooses to apply. This LTV may be higher or lower than the LTV available today.
What interest rate is applied to additional borrowing?	The interest rate applied to the further advance is based on the interest rate on the product at the time your customer chooses to apply. This interest rate may be higher or lower than the interest rate which is applied to their initial advance. Our current additional borrowing interest rates can be found on our website.



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Further advances	
Are further advances available?	Yes, subject to lending criteria at the time of application.
Is further financial advice required?	Yes
Which product can it be taken on?	Your customer must stay within their original product LTV range, and they cannot switch to a new product. For example, if they originally took Second Home Voluntary Select, they can only apply for the maximum available within that LTV range.
Minimum amount?	£4,000.
Maximum amount?	The maximum amount available within the product range.
What fees are payable?	Completion fee = £0, free of charge. Your customer may need to pay a valuation fee and/or a financial advice fee.
What interest rate will be charged?	A fixed interest rate will be applied to each additional loan amount, based on the prevailing further advance interest rate on the product at the time when your customer applies. This interest rate may be higher or lower than the interest rate which is applied to their initial advance. Our current additional borrowing interest rates can be found on our website.
Are further advances guaranteed?	Further advances are subject to Terms & Conditions and lending criteria at the time. This option is not guaranteed.

Fees									
Is a full tariff of charges available?	Yes, our full tariff of charges can be found on our website.								
What fees are associated with setting up a Canada Life mortgage?	<table><tbody><tr><td>Valuation fee</td><td>Free of charge, uncapped</td></tr><tr><td>Completion fee</td><td>Free of charge</td></tr><tr><td>Advice fee</td><td>Your customer is responsible for paying any advice fees</td></tr><tr><td>Legal fee</td><td>Your customer is responsible for paying their legal fees</td></tr></tbody></table>	Valuation fee	Free of charge, uncapped	Completion fee	Free of charge	Advice fee	Your customer is responsible for paying any advice fees	Legal fee	Your customer is responsible for paying their legal fees
Valuation fee	Free of charge, uncapped								
Completion fee	Free of charge								
Advice fee	Your customer is responsible for paying any advice fees								
Legal fee	Your customer is responsible for paying their legal fees								

Interest rates and LTVs

- You can find our latest initial advance interest rates and LTVs in our [Home Finance product overview](#)
- You can find our latest additional borrowing interest rates in our [additional borrowing overview](#)

WeCare

Health and wellbeing support for customers

Our home finance customers have access to a range of virtual health and wellbeing support services through WeCare. With WeCare, customers can:

- Speak to a UK based GP 24/7 via phone or video, anytime it's needed
- Get private prescriptions arranged and delivered to their home
- Have a second opinion on a recent diagnosis, treatment or the need for surgery
- Access up to 10 sessions with mental health practitioners to help adjust to big changes like divorce, retirement, or the loss of a loved one
- Receive personalised fitness programmes and nutritional meal plans
- Access expert financial and legal guidance on topics including debt management, divorce and consumer disputes



WeCare can be easily accessed at no extra charge via the WeCare app, the web or by over the phone.

Find out more by visiting www.canadalife.co.uk/wecaresupport

Contact us

To discuss our Home Finance products, please contact:

Email: hf-support@canadalife.co.uk



Phone: 0800 068 0212



To talk a case through with our underwriters

Email: hf-underwriting@canadalife.co.uk



Phone: 0800 068 0212



To submit an application

You can submit application forms to us:

Online: https://kfi.canadalife.co.uk/advisers/sign_in



By email: hf-applications@canadalife.co.uk



By post: Canada Life Home Finance,
Canada Life Place, Potters Bar, Hertfordshire, EN6 5BA



Visit our website for more information:

www.canadalife.co.uk

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