

Product overview

Home Finance

This product overview applies to our mortgage products which are secured on a customer’s main residence, second home or Buy-to-Let property. You can use this overview to see which product features are shared across the product range, and which are product specific.

Please note, this is correct at time of publication 21st July 2020. Please visit www.canadalife.co.uk to access the most recent copy.

Main residence Lifetime Mortgages – common features:

Fixed early repayment charges (ERCs)	Fixed for 8 years (or 10 years with our Prestige Options) after the completion of the initial loan, cash reserve facility withdrawal or further advance. Not applicable thereafter. Please refer to our Guide to Fixed ERCs.
Free valuations	We don’t charge a valuation fee for your customer’s initial advance, and there is no cap based on the property value.
Option to add a cash reserve facility	On some options, your customer can choose to have a cash reserve facility. These are marked as ‘Flex’ in the tables below. A cash reserve facility cannot be taken if cashback is taken.
Option to add cashback	On some options, your customer can choose to have cashback. These are marked as ‘CB’ in the tables below. Cashback cannot be taken if a cash reserve facility is taken.
Option to take a further advance	Subject to lending criteria at the time of application.
No affordability checks	We don’t require any proof of affordability.
Inheritance guarantee	Free of charge. Please refer to our Inheritance Guarantee guide.
Equity Release Council product standards	Including a No Negative Equity guarantee, simple and clear documentation, fixed interest rates, the right to move the loan to another property, and the right to remain in the property.
Interest rates	Fixed for the life of the loan.
Property value: minimum – maximum	£70,000 (or £500,000 for our Prestige Options) - £6 million, nationwide. Properties above £6 million are reviewed on a case by case basis.
Property location	England, Scotland and Wales.

For adviser use only

MER – Monthly interest rate

AER – Annualised interest rate

Flex – Flexible product variant

CB - Cashback product variant



Capital Select Options

Main residence repayment Lifetime Mortgages – specific features:

	Capital Select Options	
How it works	Interest roll-up lifetime mortgage with option to make repayments.	
Minimum age of youngest borrower	55 on all Capital Select Options, except Platinum Plus where it is 60.	
Loan amount: minimum - maximum	£10,000 - £1 million.	
Will you consider bespoke cases?	On a case by case basis.	
Is cashback available?	Yes. 3% of the initial loan amount. No cap and no minimum loan amount.	
Can payments be made?	Yes. The borrower can repay capital and interest by making voluntary repayments of up to 10% of the initial loan amount each year, ERC free.	
How often are payments made?	Unlimited, from £50. Can make payments from day one, and no impact if additional borrowing is taken.	
How are payments made?	Standing order, debit card, BACs transfer or cheque.	
Fixed ERC period - year of repayment and percentage of the borrowing payable	8 years Standard and Flexible Capital Select variants 0 – 5 years 5% 6 – 8 years 3% 9 + years 0%	Capital Select Cashback variants 0 – 5 years 8% 6 – 8 years 6% 9 + years 0%
Downsizing protection?	If, after 5 years, the loan is repaid because the customers sell their home and move to a different property, an ERC is not applied. This waiver includes buying a new property, moving in with family members, moving abroad, or moving into rented accommodation.	
Early Repayment Waiver?	If the loan is repaid within 3 years of the date that the first borrower dies or goes in to long term care, an ERC is not applied.	



Capital Select Options

Main residence repayment Lifetime Mortgages - interest rates and LTVs:

	Capital Select Super Lite			Capital Select Lite			Capital Select Gold			Capital Select Gold Plus			Capital Select Platinum			Capital Select Platinum Plus		
	Standard	Flex	CB	Standard	Flex	CB	Standard	Flex	CB	Standard	Flex	CB	Standard	Flex	CB	Standard	Flex	CB
MER	3.05%	3.25%	3.35%	3.24%	3.44%	3.54%	3.73%	3.93%	4.03%	4.30%	4.50%	4.60%	4.88%	5.08%	5.18%	5.83%	6.03%	6.13%
AER	3.09%	3.30%	3.40%	3.29%	3.49%	3.60%	3.79%	4.00%	4.11%	4.39%	4.59%	4.70%	4.99%	5.20%	5.30%	5.99%	6.20%	6.31%
Age	LTV			LTV			LTV			LTV			LTV			LTV		
55	13.0%			17.0%			21.0%			23.0%			26.0%			-		
56	14.0%			18.0%			22.0%			24.0%			27.0%			-		
57	15.0%			19.0%			23.0%			25.0%			28.0%			-		
58	16.0%			20.0%			24.0%			26.0%			29.0%			-		
59	17.0%			21.0%			25.0%			27.0%			30.0%			-		
60	18.0%			22.0%			26.0%			28.0%			31.0%			33.5%		
61	19.0%			23.0%			27.0%			29.0%			32.0%			34.5%		
62	20.0%			24.0%			28.0%			30.0%			33.0%			35.5%		
63	21.0%			25.0%			29.0%			31.0%			34.0%			36.5%		
64	22.0%			26.0%			30.0%			32.0%			35.0%			37.5%		
65	23.0%			27.0%			31.0%			33.0%			36.0%			38.5%		
66	24.0%			28.0%			32.0%			34.0%			37.0%			39.5%		
67	25.0%			29.0%			33.0%			35.0%			38.0%			40.5%		
68	26.0%			30.0%			34.0%			36.0%			39.0%			41.5%		
69	27.0%			31.0%			35.0%			37.0%			40.0%			42.5%		
70	28.0%			32.0%			36.0%			38.0%			41.0%			43.5%		
71	29.0%			33.0%			37.0%			39.0%			42.0%			44.5%		
72	30.0%			34.0%			38.0%			40.0%			43.0%			45.5%		
73	31.0%			35.0%			39.0%			41.0%			44.0%			46.5%		
74	32.0%			36.0%			40.0%			42.0%			45.0%			47.5%		
75	33.0%			37.0%			41.0%			43.0%			46.0%			48.5%		
76	34.0%			38.0%			42.0%			44.0%			47.0%			49.5%		
77	35.0%			39.0%			43.0%			45.0%			48.0%			50.5%		
78	36.0%			40.0%			44.0%			46.0%			49.0%			51.5%		
79	37.0%			41.0%			45.0%			47.0%			50.0%			52.5%		
80 - 90	38.0%			42.0%			46.0%			48.0%			51.0%			53.5%		



Interest Select Options

Main residence repayment Lifetime Mortgages – specific features:

	Interest Select Options
How it works	Interest servicing lifetime mortgage.
Minimum age of youngest borrower	55.
Loan amount: minimum - maximum	£10,000 - £750,000 Cases between £750,000 and £1 million will be considered on a case by case basis.
Will you consider bespoke cases?	Yes, we will consider flat roofs (over 45%), ex-local authority flats, properties adjacent to commercial premises, flats over 6 storeys, with a lift and listed properties, subject to Underwriting approval.
Is cashback available?	Yes. £1,000 cashback is available on loans over £40,000. The cashback is not repayable. If this product feature is added to the lifetime mortgage, the interest rate will increase by 0.10% MER (0.10% AER).
Can payments be made?	Yes. The borrower can service 50% - 100% of the interest, for a minimum of 5 years. Option to convert to roll-up at any time, but charges may apply.
How often are payments made?	Monthly, on the first working day of the month.
How are payments made?	Direct debit only.
Fixed ERC period - year of repayment and percentage of the borrowing payable	8 years 0 – 5 years 5% 6 – 8 years 3% 9 + years 0%
Downsizing protection?	If, after 5 years, the loan is repaid because the customers sell their home and move to a different property, an ERC is not applied. This waiver includes buying a new property, moving in with family members, moving abroad, or moving into rented accommodation.
Early Repayment Waiver?	If the loan is repaid within 3 years of the date that the first borrower dies or goes in to long term care, an ERC is not applied.

Main residence repayment Lifetime Mortgages - interest rates and LTVs:

	Interest Select Gold			Interest Select Platinum		
	Standard	CB	Flex	Standard	CB	Flex
MER	4.74%	4.84%	4.94%	5.21%	5.31%	5.41%
AER	4.84%	4.95%	5.05%	5.34%	5.44%	5.55%
Age	LTV			LTV		
55	19%			24%		
56	20%			25%		
57	21%			26%		
58	22%			27%		
59	23%			28%		
60	24%			29%		
61	25%			30%		
62	26%			31%		
63	27%			32%		
64	28%			33%		
65	29%			34%		
66	30%			35%		
67	31%			36%		
68	32%			37%		
69	33%			38%		
70	34%			39%		
71	35%			40%		
72	36%			41%		
73	37%			42%		
74	38%			43%		
75	39%			44%		
76	40%			45%		
77	41%			46%		
78	42%			47%		
79	43%			48%		
80 - 90	44%			49%		



Lifestyle Options

Main residence interest roll-up Lifetime Mortgages – specific features:

	Lifestyle Options
How it works	Interest roll-up lifetime mortgage.
Minimum age of youngest borrower	55.
Loan amount: minimum - maximum	£10,000 - £1 million.
Will you consider bespoke cases?	On a case by case basis.
Is cashback available?	No.
Can payments be made?	This is an interest roll-up mortgage. If payments are made, they will be treated as partial redemptions and may incur an ERC.
Fixed ERC period - year of repayment and percentage of the borrowing payable	8 years 0 – 5 years 5% 6 – 8 years 3% 9 + years 0%
Downsizing protection?	No. If you have to repay some of your mortgage you may incur an ERC.
Early Repayment Waiver?	No. If you have to repay some of your mortgage you may incur an ERC.



Prestige Options

	Prestige Options
How it works	Interest roll-up lifetime mortgage
Minimum age of youngest borrower	60
Loan amount: minimum - maximum	£250,000 - £2 million
Will you consider bespoke cases?	On a case by case basis.
Is cashback available?	No
Can payments be made?	This is an interest roll-up mortgage. If payments are made, they will be treated as partial redemptions and may incur an ERC.
Fixed ERC period - year of repayment and percentage of the borrowing payable	10 years 0 – 5 years 10% 6 – 10 years 5% 11 + years 0%
Downsizing protection?	No. If you have to repay some of your mortgage you may incur an ERC.
Early Repayment Waiver?	No. If you have to repay some of your mortgage you may incur an ERC.



Lifestyle Options



Prestige Options

Main residence interest roll-up Lifetime Mortgages – interest rates and LTVs:

	Lifestyle Lite		Lifestyle Gold		Lifestyle Gold Plus	
	Standard	Flex	Standard	Flex	Standard	Flex
MER	2.65%	2.85%	3.00%	3.20%	4.41%	4.61%
AER	2.68%	2.89%	3.04%	3.25%	4.50%	4.71%
Age	LTV		LTV		LTV	
55	11.0%		16.0%		–	
56	12.0%		17.0%		–	
57	13.0%		18.0%		–	
58	14.0%		19.0%		–	
59	15.0%		20.0%		–	
60	16.0%		21.0%		26.0%	
61	17.0%		22.0%		27.0%	
62	18.0%		23.0%		28.0%	
63	19.0%		24.0%		29.0%	
64	20.0%		25.0%		30.0%	
65	21.0%		26.0%		31.0%	
66	22.0%		27.0%		32.0%	
67	23.0%		28.0%		33.0%	
68	24.0%		29.0%		34.0%	
69	25.0%		30.0%		35.0%	
70	26.0%		31.0%		36.0%	
71	27.0%		32.0%		37.0%	
72	28.0%		33.0%		38.0%	
73	29.0%		34.0%		39.0%	
74	30.0%		35.0%		40.0%	
75	31.0%		36.0%		41.0%	
76	32.0%		37.0%		42.0%	
77	33.0%		38.0%		43.0%	
78	34.0%		39.0%		44.0%	
79	35.0%		40.0%		45.0%	
80 - 90	36.0%		41.0%		46.0%	

Prestige	
Standard	Flex
5.17%	5.37%
5.29%	5.50%
LTV	
–	
–	
–	
–	
–	
23.0%	
24.0%	
25.0%	
26.0%	
27.0%	
28.0%	
29.0%	
30.0%	
31.0%	
32.0%	
33.0%	
34.0%	
35.0%	
36.0%	
37.0%	
38.0%	
39.0%	
40.0%	
41.0%	
42.0%	
43.0%	



Second Homes Options

Second home Lifetime Mortgages – common features:

Fixed early repayment charges (ERCs)	Fixed for the first 8 years after the completion of the initial loan or further advance. Not applicable thereafter. Please refer to our Guide to Fixed ERCs.
Free valuations	We don't charge a valuation fee for your customer's initial advance, and there is no cap based on the property value.
Option to add a cash reserve facility	Not available.
Option to take a further advance	Yes, subject to lending criteria at the time of application.
No affordability checks	We don't require any proof of affordability.
Equity Release Council product standards	These products do not meet all of the product standards as they are not secured on the main residence. The right to remain in the property for life, or until the customer moves into long term care does not apply. However, the remaining standards do apply, including a No Negative Equity Guarantee, fixed interest rates and independent legal advice.
Interest rates	Fixed for the life of the loan.
Minimum age of youngest borrower	55.
Loan amount: minimum - maximum	£10,000 - £750,000, nationwide.
Property value: minimum – maximum	£70,000 - £6 million, nationwide. Properties above £6 million are reviewed on a case by case basis.
Property location	England, Scotland and Wales.



Second Homes Options

Second home Lifetime Mortgages - interest rates and LTVs:

	Second Home Lifestyle	Second Home Voluntary Select
MER	5.63%	5.82%
AER	5.78%	5.98%
Age	LTV %	
55	19%	
56	20%	
57	21%	
58	22%	
59	23%	
60	24%	
61	25%	
62	26%	
63	27%	
64	28%	
65	29%	
66	30%	
67	31%	
68	32%	
69	33%	
70	34%	
71	35%	
72	36%	
73	37%	
74	38%	
75	39%	
76	40%	
77	41%	
78	42%	
79	43%	
80 - 90	44%	



Buy to Let Options

Buy-to-Let Mortgages – common features:

Fixed early repayment charges (ERCs)	Fixed for the first 8 years after the completion of the initial loan or further advance. Not applicable thereafter. Please refer to our Guide to Fixed ERCs.
Free valuations	We don't charge a valuation fee for your customer's initial advance, and there is no cap based on the property value.
Option to add a cash reserve facility	Not available.
Option to take a further advance	Yes, subject to lending criteria at the time of application.
No affordability checks	We don't require any proof of affordability.
Equity Release Council product standards	<p>These products do not meet all of the product standards as they are not secured on the main residence. The following standards do not apply:</p> <ul style="list-style-type: none">• The right to remain in the property for life, or until the customer moves into long term care• The right to move to a suitable alternative property <p>However, the remaining standards do apply, including a No Negative Equity Guarantee, fixed interest rates and independent legal advice.</p>
Regulation and the FSCS	<p>Whilst our Buy-to-Let Mortgages share characteristics with a Lifetime Mortgage, they are not a Lifetime Mortgage, as defined by the FCA. There are two different types of mortgages for Buy-to-Let properties, and our products can be used for either scenario:</p> <ul style="list-style-type: none">• 'Buy-to-Let' is used to describe most mortgages on properties that are let out. These are not regulated by the FCA. This means that your customer will not benefit from the protection of the FCA conduct rules or the Financial Services Compensation Scheme (FSCS).• 'Consumer Buy-to-Let' is used to describe mortgages on properties that were not originally purchased to let out. These are regulated by the FCA. This means that your customer will benefit from the protection of the FCA conduct rules and the Financial Services Compensation Scheme (FSCS).
Interest rates	Fixed for the life of the loan.
Minimum age of youngest borrower	55.
Loan amount: minimum - maximum	£10,000 - £750,000, nationwide.
Property value: minimum – maximum	£70,000 - £6 million, nationwide. Properties above £6 million are reviewed on a case by case basis.
Property location	England, Scotland and Wales.



Buy to Let Options

Buy-to-Let Mortgages - interest rates and LTVs:

	Over 55 Buy-to-Let Lifestyle	Over 55 Buy-to-Let Voluntary Select
MER	5.63%	5.82%
AER	5.78%	5.98%
Age	LTV %	
55	19%	
56	20%	
57	21%	
58	22%	
59	23%	
60	24%	
61	25%	
62	26%	
63	27%	
64	28%	
65	29%	
66	30%	
67	31%	
68	32%	
69	33%	
70	34%	
71	35%	
72	36%	
73	37%	
74	38%	
75	39%	
76	40%	
77	41%	
78	42%	
79	43%	
80 - 90	44%	

Fees

The fees associated with setting up a Canada Life mortgage are:

Valuation fee	Free of charge, uncapped
Completion fee	£0 for: <ul style="list-style-type: none">Capital Select Options (until 30th September 2020) All other options: £650, nationwide Payable when the mortgage completes, this fee can be added to the loan or paid at the point of completion
Advice fee	Your customer is responsible for paying any advice fees
Legal fee	Your customer is responsible for paying their legal fees

Our full tariff of charges can be found on our website.

Please note:

- The interest rates applied to each cash reserve facility withdrawal or further advance is based on the prevailing cash reserve facility interest rate or further advance 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.
- The LTVs may be adjusted in certain circumstances, such as sheltered accommodation or non-standard construction types. Please speak to our Underwriting team for further information

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: kfi.canadalife.com/advisers/sign_in



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



By post: Canada Life Home Finance,
110 Cannon Street, London, EC4N 6EU



You can download our At a Glance guides to find out more about the product features, interest rates and LTVs. Visit our website for more information: www.canadalife.co.uk/adviser

