

Lifetime Loan Fact Sheet

Effective 1 September 2022



Please retain this Fact Sheet for future reference

Please refer to the Spry "Guide to a Lifetime Loan" which sets out the main features and restrictions of the Lifetime Loan

Both Spry Finance and Seniors Money are divisions of Seniors Money Mortgages (Ireland) DAC.

Spry Finance

Guides you through understanding and applying for a Lifetime Loan.

Seniors Money

The lender, providing the Lifetime Loan to you.

Eligibility

Borrowers

All owners of the property must sign the loan agreement. Maximum of two Nominated Residents, both over 60.

Property

Must be your primary residence, located in the Republic of Ireland, of conventional construction and in good repair and mortgage-free (or use part of the loan to repay any outstanding mortgage). If leasehold, must be on terms and conditions acceptable to Seniors Money. Further lending criteria may apply. Lending is subject to Certificate of Title from borrower's solicitor.

Property Value

Minimum **€250,000** in Dublin; **€175,000** outside Dublin. (Properties at minimum values may be subject to restricted loan sizes).

Purpose of Loan

Any purpose.

Loan Size

Minimum Loan

Initial Loan **€20,000**.

Maximum Loan

The maximum amount you can borrow is calculated as a percentage of your home's value and depends on your age, subject to an overall maximum of **€500,000** regardless of age or property value.

The following table shows examples of the maximum borrowing entitlements at a number of different ages.

Age of youngest borrower	60	65	70	75	80	85 & older
Maximum % of Home's Value Available	15%	20%	25%	30%	35%	40%

Interest

Interest Rate

5.95% per annum fixed rate, added to your loan monthly. **Annual Percentage Rate ("APR") 6.31%** (assuming a loan amount of €75,000) over a term of 15 years.

Rate is as at date of this Fact Sheet but may change before the loan is drawn down.

Lender Fees And Charges, Payable To Seniors Money

Set-up Fee

€1,500 – Applies to all new loans.

This fee covers the cost of an independent property valuation (€180) and a contribution to the costs incurred by Seniors Money in arranging your loan (€1,320).

You can choose to pay the Set-Up Fee by cheque **OR** the fee can be included in your Lifetime Loan (and deducted from the amount being borrowed when the funds are paid out to you). If you decide to include the fee in your Lifetime Loan you are borrowing the fee, and the part of your loan balance associated with the fee will grow over time as indicated in the table below (assumes fixed interest rate of 5.95% p.a. throughout the life of the loan):

Estimated Overall Cost of Set Up Fee	
Year	€
0	1,500
5	2,028
10	2,730
15	3,673
20	4,943

Loan Variation Fee

€500 – Applies to all variations.

Payable for any variations during the life of the loan, e.g. adding or removing a borrower, changes to the registered security or title, etc.

You will also be liable for any 3rd party costs incurred by Seniors Money when any variation is required during the loan (e.g. legal fees). The 3rd party costs will be calculated at the time of the variation and we will provide you with details of these costs at the time.

Loan Redemption Fee

€100 – Payable upon full repayment of the loan.

This fee contributes to the costs arising when discharging a loan, e.g. legal or registration fees incurred by Seniors Money in redeeming the mortgage.

Early Redemption Charge ("ERC")

Because this is a fixed rate product, if you make any loan repayments before you are required to, this will lead to unexpected costs for Seniors Money. **An Early Repayment Charge (ERC) may arise if you repay some or all of the loan within 10 years of taking it out.**

Full details of the ERC are provided in the Spry Finance Guide to a Lifetime Loan, including details of several exemptions and limitations to the ERC.

If an ERC becomes payable, it will be calculated by multiplying three numbers by each other:

- i. The amount of the loan including accrued and unpaid interest (after any exemptions) that the ERC is chargeable on
- ii. The difference in interest rates between the date the loan commenced and the date it is repaid
- iii. The number of years remaining to the 10 year ERC time limit or shorter limit if applicable

In the example shown below, €75,000 was originally borrowed at a fixed interest rate of 5.95% p.a. The client is repaying the loan after 5 years, and has not made any previous repayments. Interest rates are lower at the time of repayment so an ERC is payable:

Interest Rate Test	
A 10-year Irish Government Bond Rate at loan commencement:	2.000%
B 5-year Irish Government Bond at date of full repayment:	1.500%
Difference in the bond rates:	0.500% (ii)
B is lower than A so an ERC is payable.	
Chargeable Amount	
Loan balance at date of full repayment:	€101,406 (assumes no previous loan repayments)
10% exemption from ERC:	(€7,500) (i.e. 10% of amount originally borrowed)
ERC chargeable on:	€93,906 (i)
ERC chargeable for:	5 years (iii)
ERC Payable	
(i) €93,906 x (ii) 0.500% x (iii) 5	= €2,348

In addition to the above lender fees and charges payable to Seniors Money, The borrower is responsible for paying any fees charged by their own solicitor for advising on the transaction.

Loan Portability

Transferring the loan to another property

Subject to the acceptability of the new property to Seniors Money, at its sole discretion. Partial repayment of the loan balance may be required.

Commissions Paid By Spry Finance

Remuneration

Your Spry Finance Client Consultant will receive a once-off commission of €200 for conducting the client meeting and Client Fact Find plus an additional €500 when your loan is drawn down. These fixed payments are irrespective of the amount you borrow.

If your loan was referred by a Referral Broker an additional fixed commission of €1,000 will be paid to that Referral Broker.

The Seniors Money "No Negative Equity" Guarantee

As long as you have adhered to the Terms and Conditions of the loan, you or your estate will never have to repay more than the value of the property, even if the loan plus accrued interest and charges exceeds the net sale proceeds of the house. See brochure for details.

Advice

Spry Finance will advise you on the suitability or otherwise of a Lifetime Loan for meeting your financial needs and objectives. We strongly recommend that you seek further financial advice from a qualified source about any possible effect that a Seniors Money Lifetime Loan could have on means-tested State benefits and other related matters.

You must seek independent legal advice from a solicitor.

WARNING: WHILE NO INTEREST IS PAYABLE DURING THE PERIOD OF THE MORTGAGE, THE INTEREST IS COMPOUNDED ON A MONTHLY BASIS AND IS PAYABLE IN FULL IN CIRCUMSTANCES SUCH AS DEATH, PERMANENT VACATION OF OR SALE OF THE PROPERTY.

WARNING: PURCHASING THIS PRODUCT MAY NEGATIVELY IMPACT ON YOUR ABILITY TO FUND FUTURE NEEDS.

WARNING: YOU MAY HAVE TO PAY CHARGES IF YOU PAY OFF A FIXED RATE LOAN EARLY.

WARNING: YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP PAYMENTS ON A MORTGAGE OR ANY OTHER LOAN SECURED ON IT.

If your lifetime loan is being used for debt consolidation purposes:

WARNING: THIS NEW LOAN MAY TAKE LONGER TO PAY OFF THAN YOUR PREVIOUS LOANS. THIS MEANS THAT YOU MAY PAY MORE THAN IF YOU PAID OVER A SHORTER TERM.

NOTICE: Under the Credit Reporting Act 2013 lenders are required to provide personal and credit information for credit applications and credit agreements of €500 and above to the Central Credit Register. This information will be held on the Central Credit Register and may be used by other lenders when making decisions on your credit application and credit agreements.

The Central Credit Register is maintained and operated by the Central Bank of Ireland. For information on your rights and duties under the Credit Reporting Act 2013 please refer to the factsheet prepared by the Central Bank of Ireland. This factsheet is available on www.centralcreditregister.ie. A copy can also be obtained on www.seniorsmoney.ie.

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