

Aviva Lifetime Mortgages: Remote Valuations

What is a Remote Valuation and how will it be used to calculate loan amount?

A remote valuation is an inspection which takes place using information available via online platforms such as Rightmoveplus or HM Land Registry. The surveyor does not physically visit the property.

Our remote valuations continue to be carried out by our external valuation partner and are being performed by qualified valuers with the appropriate Royal Institution of Chartered Surveyors (RICS) accreditation. They can be undertaken for both purchase and re-mortgage applications, on all property types which meet the acceptance criteria. The surveyors have robust coverage across the United Kingdom, work from home and have the capacity to do our remote valuations.

Unfortunately, remote valuations are not suitable for Northern Ireland due to the lack of online data concerning Northern Ireland properties.

The scope of the valuation is limited without a physical inspection. We will therefore only lend against 90% of the property value provided by the remote valuation, when we calculate the maximum loan amount we can lend to the customer. For flats, we will apply 90% of the property value before applying our normal 85% flat rate. Our quotes have been updated automatically to reduce the full property value to these percentages.

Whilst we are offering remote valuations we won't be able to accept challenges to a valuation figure, re-examine cases which have been declined or reassess a decision which has already been made.

In the future, we may request a full physical valuation of the property, which we will tell customers about. There's more information on this below.

Changes to our application form

Supporting signature free

Where health and lifestyle information is given, we no longer need a customer signature on our application forms.

We have made changes to incorporate the consent for Aviva to collect and use a customer's health information in the borrower's declaration. This means a customer can give verbal consent to you when you complete a signature free application.

Removal of the GP checks

We have removed the customer consent to obtain a GP report (AMRA). These are both interim measures to reduce the strain on GP surgeries and remove the requirement for a customer's signature consent to use their health data during the COVID-19 period. We will continue to closely monitor lifetime mortgage applications we receive during this period.

You need to accurately assess a customer's medical history against the health and lifestyle questions, to ensure that your customer receives the best interest rate and/or LTV available to them.

Changes to the Declaration

With a signature free application, we need to know who has received financial advice and who has given verbal consent to the borrower declaration. The changes we have made to the declaration ask you to confirm who you have read the borrower declaration to – the customer/s or a Power of Attorney.

If the applicant is a Power of Attorney, please send us a copy of the Power of Attorney document. This helps prevent delays within the legal conveyancing process and means we can notify you of any additional requirements upfront.

If your firm needs a signed form for compliance reasons, you can find a standard application form on [Aviva for Advisers](#), maintaining the requirement for a signature on the borrower declaration and the consent to use health information declaration.

Additional Property Questions to Support Remote Valuations

We have added a few additional property questions to both our initial loan and additional borrowing application forms, relating to roof, rainwater goods, damp, spray foam, cracking to external and internal walls, ceilings or concrete floors, and structural movement. The answers to these questions will support our underwriting decision whilst a physical inspection is not possible.

Introduction of a side letter to our Initial Loan and Additional Borrowing Offers

Please be aware that in the future we may request a full physical valuation of the property. We won't charge the customer for this, or change the customer's initial loan amount. However, we do reserve the right to suspend or reduce any cash reserve arrangement.

We will include a side letter as part of the offer, to ensure the customer is aware of our obligation to value the property at a later date and inform them they must have building insurance cover in place, which must be maintained.

A copy of this document can be found [here](#).

Improving our Additional Borrowing Completion Process

Emailing Additional Borrowing Offers

We have the facilities to securely email your customer their additional borrowing offer documents, which they will be able to electronically sign and return to us. This will reduce the end to end time for receiving the funds, as the offer can be received within seconds of us sending it, enabling the customer to read the offer, electronically sign and return it. If the signed offer is returned before 4pm the customer could receive their funds on the same day.

This facility will be available in the following scenarios, where:

- You have provided a valid email address for the customer(s) and it is the customer(s) own email address.
- You have ticked the application form to inform us that the customer(s) would like to receive their offer by email.

We will continue to send offers by post for all other customers.

Aviva is working in partnership with a third party to provide a service for sharing digital information between us and our customers through a secure channel.

You can find our user guide to help you explain this journey to your customer(s) [here](#).

For further information, please visit our updated [FAQs](#).

Aviva Equity Release UK Limited.

Registered in England No 3286484. Aviva, Wellington Row, York, YO90 1WR.

Authorised and regulated by the Financial Conduct Authority. Firm reference number 310433

PF011505 04/2020



Aviva Lifetime Mortgages: Criteria for an acceptable remote valuation

Lending criteria for an acceptable remote valuation		
Criteria	Acceptable for remote valuation	Not acceptable for remote valuation
Minimum property value	Above £75,000	Below £75,000
Maximum property value	Under £1m inside M25 / £750,000 elsewhere	Over £1m inside M25 / £750,000 elsewhere
Land area	Properties with under 2.5 acres of land	Properties with 2.5 acres or above of land.
Title		Title split or charge of part cases
Business use	None acceptable	Any business use by the applicant or any commercial letting of any part of the property.
Residential letting	None acceptable	Residential letting of any part of the property
Property location		
Region	Scotland, England and Wales	Properties in Northern Ireland (due to a lack of online data concerning Northern Ireland properties). Properties in the Channel Islands or Isle of Man.
Proximity to commercial premises	None acceptable	Properties adjacent to commercial premises. Properties that are likely to be adversely affected by adjacent or surrounding non-residential uses.
Agricultural use	None acceptable	Agricultural use of the land and any outbuildings.
Coastal erosion	Properties that are not in a coastal erosion area	Properties in a coastal erosion area
Locations to HS2	Properties not within influencing distance of the railway line or construction operations	Properties within influencing distance of the railway line or construction operations
Property type		

Age of property	Built in period 1850 to present.	Built before 1850 and brand-new build properties awaiting first occupation
Lease term	Unexpired lease length term over 100 years.	Unexpired lease term below 100 years (our standard lending criteria of 160 years minus the age of the youngest borrower still applies whilst this restriction is in place). N.B. If the customer is extending the lease to 100 years or more as part of the application, we must see documentary evidence from a solicitor or managing agent acting for the landlord that the terms of the purchase of the extension have been agreed.
Mundic	None acceptable	Properties which may be affected by Mundic
Flying or creeping freehold	None acceptable	Properties which may be affected by a flying or creeping freehold arrangement.
Structural defects	Properties not suspected to be affected by significant structural defects.	Properties suspected to be affected by significant structural defects.
Environmental issues	Properties not suspected to be affected by significant environmental issues.	Properties suspected to be affected by significant environmental issues.

Aviva Equity Release UK Limited.
Registered in England No 3286484. Aviva, Wellington Row, York, YO90 1WR.
Authorised and regulated by the Financial Conduct Authority. Firm reference number 310433

PF011503 04/2020

