

How the Property Plan Works with Maximum Release

Let's say your clients are a couple aged 70. Their home is valued at £200,000 and they wish to raise the maximum amount through our Open Options Property Plan. In this case Retirement Plus will have a starting percentage of 37.50% for which the couple will receive the sum of £75,000.

The share of their property that we would be entitled to increases by a rate that's fixed at the beginning of the Property Plan. If this fixed rate is 0.64% per month, then our share at the end of the first year will have increased from 37.50% to 40.48% of the value of their property. And so on, as illustrated in the table below.

The maximum our share can grow to will be fixed at the outset. In this case our maximum share will reach 99.90% after 12 years and 10 months.

This table illustrates how the Retirement Plus Share increases.

The rate at which our share increases is 0.64% per month. The starting percentage is 37.50%.

Start of the year	Our share at the start of the year	Their share of future value	How the share ownerships change over the years*
1	37.50%	62.50%	2.98%
2	40.48%	59.52%	3.22%
3	43.70%	56.30%	3.48%
4	47.18%	52.82%	3.75%
5	50.94%	49.06%	4.05%
6	54.99%	45.01%	4.37%
7	59.36%	40.64%	4.72%
8	64.09%	35.91%	5.10%
9	69.18%	30.82%	5.50%
10	74.69%	25.31%	5.94%
11	80.63%	19.37%	6.42%
12	87.05%	12.95%	6.93%
13	93.97%	6.03%	5.93%
14	99.90%	0.10%	0.00%
15	99.90%	0.10%	0.00%
16	99.90%	0.10%	0.00%
17	99.90%	0.10%	0.00%
18	99.90%	0.10%	0.00%
19	99.90%	0.10%	0.00%
20	99.90%	0.10%	0.00%

*Our share will increase and their share will decrease by this amount during the year. In this example, Retirement Plus would own a 99.90% share of the property after 12 years and 10 months.