

A guide to...

# lifetime mortgages & releasing cash from your home



# Struggling with later life finances?

Don't settle for less – help secure a more relaxing retirement today.

Retirement should be an exciting journey, but all too often later life finances can become a struggle. Many of us end up worrying about debt, or simply not having the finances to enjoy life or meet an unexpected bill. Maybe you have loved ones you'd like to help onto the property ladder? Or some home improvements you'd like to make? Not only this, but many borrowing methods such as credit cards and loans may not be suitable in later life, as they require regular and sometimes large monthly repayments.

However, a lifetime mortgage could be the answer and help you to secure a stress-free retirement.

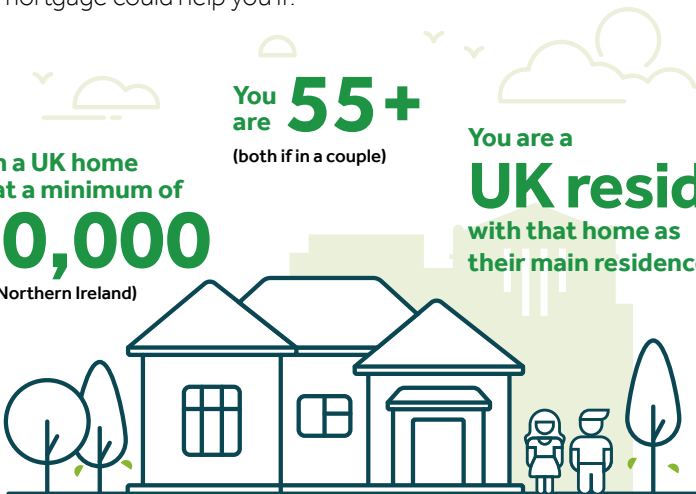
## What is a lifetime mortgage?

A lifetime mortgage is a way of freeing-up some of the cash tied up in the value of your home without downsizing. It lets you stay in your home, close to family and friends, and any cash released from the value of your home is tax-free. A lifetime mortgage could help you if:

You own a UK home  
valued at a minimum of  
**£70,000**  
(excluding Northern Ireland)

You are **55+**  
(both if in a couple)

You are a  
**UK resident**  
with that home as  
their main residence



## How does it work?

A lifetime mortgage can help to settle existing debt and to boost your finances in retirement and there are typically no monthly repayments, as the loan plus roll-up interest is repaid when the plan comes to an end. This is when either you, or the last remaining borrower in joint cases, passes away or goes into long-term care.

You can take your lifetime mortgage in the form of either a one-off lump sum, or as a drawdown lifetime mortgage. This means you can take a smaller initial lump sum, and leave the remainder of your funds in a drawdown facility, and take withdrawals as and when you need them. With a lifetime mortgage, you only pay interest on the money that you have taken, so a drawdown lifetime mortgage could help you pay less interest over time.

A lifetime mortgage is just that; designed to last for your life. However, some lifetime mortgages come with added features, protections and extras which, subject to criteria, mean that you could:

- Get cashback – this is an additional sum, usually a percentage of the initial loan taken, and will be paid to you after your loan completes. You won't pay any interest on any cashback given to you
- Make ad-hoc partial repayments to reduce the size of your loan, and therefore the effect of roll-up interest if you are able to, though there is no obligation to
- Repay your loan in full without incurring any early repayment charges if you downsize to a property outside of lending criteria at the time
- Still leave some of your property value as an inheritance for loved ones after you or the last remaining borrower passes away or goes into long-term care
- Get a plan with fixed early repayment charges
- Release more of the money tied up in your home if you have any health conditions or make certain lifestyle choices

**A lifetime mortgage is a loan secured against your home, and you must think carefully before securing a loan against your home, as it will reduce the value of your estate and may affect your entitlement to means-tested benefits.**

**Subject to the prevailing, fixed interest rate at the time, which may be higher than your original interest rate. A drawdown facility is not guaranteed as the lender has the right to withdraw it.**

## Some of the most popular reasons people take out a lifetime mortgage



Clearing existing credit cards and loans



Gifting money to family



Making home and garden improvements



Going on holiday



Paying off an existing mortgage



Replacing the car

## Is equity release regulated?

As an extra safeguard, we're a member of the Equity Release Council (ERC) and only recommend lifetime mortgages that meet ERC standards. All our plans that meet the Equity Release Council standards come with the following guarantees:

- You'll never owe more than the value of your home through the no negative equity guarantee
- You have the freedom to move to another property without early repayment charge (subject to provider criteria)
- You have the right to remain in your home for as long as you choose

## Will I still own my own home?

Yes. With a lifetime mortgage, you will remain the owner of your property and can continue living there for as long as you choose.

# How much of your home's value could you release?

The amount of your home's value that you can release depends on your age, whether or not you are applying on a joint or single basis, and your home's value. If a lifetime mortgage is right for you, we will gather all of this information, including any features or protections you would like with your lifetime mortgage, and then compare plans to find the right one for you.

Also, telling us if you have (or have had) any medical or lifestyle issues could help you to release more money from your home. You won't need to undergo a medical to qualify for an enhanced plan; we will simply need to ask you some simple 'yes' or 'no' questions, and if you qualify, may need to share prescriptions for any repeat medication and/or a report from your GP.

## Here are some health conditions and certain lifestyle choices which may qualify you for an enhanced plan:



- Being overweight or obese
- Having diabetes which requires tablet or insulin treatment
- Having high blood pressure (hypertension)
- Smoking tobacco/having smoked tobacco in the last 10 years
- Having Parkinson's Disease
- Being diagnosed with cancer requiring surgery, radiotherapy or chemotherapy at any time
- Being diagnosed with Multiple Sclerosis (MS)
- Taking early retirement due to ill-health
- Having suffered from heart attacks, strokes (CVA) or 'mini-strokes' (TIA)

While it might worry you to speak with us about your health, it could help you unlock more of the cash tied up in your home. Living with a health or lifestyle issue whilst being aged 55 or over is quite common, so we have dealt with this many times before.



# Here are just some of the awards we've won...



Best Lender Website

