

Why choose equity release?

Equity release can be a way to help you meet your financial needs in retirement. There are many reasons why people choose equity release. Here are some of the most common uses:



Clear an existing mortgage

If you have an existing mortgage, equity release can help you to clear it to free up more disposable income. This can give you peace of mind and make it easier to manage your finances in retirement. Please note: any existing mortgage or loan secured against your home must be repaid to take out a lifetime mortgage, a type of equity release.



Giftng to a family member

Equity release can be used to gift money to a family member. This could be a way to help them with their own financial needs, such as buying a home or clearing their existing debts.



Pay off existing debts

If you have any existing debts, such as credit card debt or personal loans, equity release can help you to pay them off. This could free up your monthly income and put more money in your pocket.

You should always think carefully before securing a loan against your home to repay existing debt



Help with retirement finances

Money can be tight in retirement. Equity release can help boost your finances to allow you to live a more comfortable later life.



Home improvements

If you're thinking of making some home improvements, equity release could provide you with the funds you need, from futureproofing your property to installing a new kitchen.

Why choose a Standard Life Home Finance Horizon lifetime mortgage?

All the equity release plans we provide are lifetime mortgages and come with several features.

Wanting to make optional payments?

You can help manage the size of your loan and your total cost of borrowing by making ad-hoc or regular repayments although this is not required. You can repay up to 10% of your initial loan amount each year without incurring early repayment charges, with these charges coming to an end from year 9, subject to criteria. If that doesn't suit your circumstances, however, you don't have to make any repayments at all throughout the life of your lifetime mortgage as instead the loan plus compound interest is typically repaid through the sale of the property when the last remaining applicant passes away or moves into long term care.

Never pass on any equity release debt

All our lifetime mortgages come with the no negative equity guarantee. That means you can never owe more than your home's future value or pass on any equity release related debt to your loved ones. However a lifetime mortgage may result in limited or no property equity remaining and will reduce your financial options in the future.

Don't have to downsize

With all our lifetime mortgages, you could unlock some of your home's value without having to downsize. You'll also always retain full ownership of your property and can stay in it for as long as you choose.

Option to move home in the future

If you want or need to move home after you've taken out your lifetime mortgage with us, you may be able to take your plan with you to your new home, known as porting. That's provided the property meets our lending criteria at the time.

Fixed interest rates

No matter what happens to interest rates elsewhere, your lifetime mortgage rate is fixed for life. However, if interest rates reduce, you may be able to remortgage your plan to secure a lower rate. In this instance you may be subject to early repayment charges.

All our plans meet Equity Release Council standards

The Equity Release Council is the UK industry body for equity release that works to set high standards for consumers within the equity release market. All of our plans at Standard Life Home Finance meet the standards set out by the Equity Release Council.

What to consider before taking out a lifetime mortgage

Alongside the benefits of equity release, we also want you to be aware of what's important to consider before making a decision.

Pros

- You can unlock cash from your home, tax-free, to help meet your needs in later life
- You'll always retain full ownership of your home and can stay in it for as long as you wish with a Horizon lifetime mortgage
- You can choose to make reduced or no monthly repayments to suit your circumstances
- You'll never owe more than your home's worth with a Standard Life Home Finance Horizon lifetime mortgage
- You may be able to remortgage your plan in the future to release further funds or secure a better interest rate, although this isn't guaranteed and may be subject to early repayment charges

Cons

- A lifetime mortgage is a loan secured against your home and subject to compound interest, meaning the amount you owe can grow quickly
- Equity release will reduce the value of your estate and may affect your entitlement to means-tested benefits
- Equity release may leave you with limited or no property equity remaining
- Equity release will reduce your financial options in the future
- A lifetime mortgage is a long-term financial product and is not designed to be fully repaid until the death or entry into long-term care of the last remaining borrower, otherwise early repayment charges may apply

The Modern Lending Advisers fee of £599 is only payable on completion. All their equity release advice relates to Standard Life Home Finance's Horizon lifetime mortgages

Getting the right advice

To take out a lifetime mortgage, you first need to receive advice from a qualified equity release adviser who'll look at your options and tell you if it's right for you.



If you're yet to find an equity release adviser, you can contact the Modern Lending Advisers, who we have carefully selected to give equity release advice on behalf of Standard Life Equity Release, visit [modernlendingadvisers.co.uk](https://www.modernlendingadvisers.co.uk) to find out more. Alternatively, you can find your own equity release adviser by searching the Equity Release Council's database of registered equity release adviser members. All Equity Release Council members have agreed to abide by Equity Release Council [rules, guidance and standards](#), and have signed up to the Council's [Statement of Principles](#).

Find out more

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Standard Life
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