



A GUIDE TO LATER LIFE LENDING

Craig Oliver

Equity Release

PROVIDING ADVICE ON LATER LIFE LENDING
OPTIONS TO CLIENTS AGED 50 PLUS

From Our Director *Craig Oliver*



Welcome to our daily changing world of Later Life Lending, Later Life Mortgages & Equity Release.

Introducing Search Equity Release, having spent three decades in this industry, we've personally seen all the ups & the downs in this industry. We must say, we've all had a bit of a bumpy ride in this last few years after the Covid 19 pandemic. It seems to have made us all think that bit differently about how we make decisions & approach our life.

A changing world become us with volatile interest rates and world government's struggling to control inflation, a cost-of-living crisis ensued all over the world. This situation has hit every household in the UK in some shape or form.

Never has advice in this sector been more critical than it is today. We aim to protect you with good decision making and transparency.

We are currently seeing huge lender product innovation to reduce long term borrowing costs, and this can only serve our clients well now and in the future. With our experience of this market, we're well positioned to help you understand this industry & its available products.

A changing world of *interest rates*

Interest rates across the Later Life Lending space cover a wide range and continue to change. Lifetime Mortgages, Retirement Interest Only mortgages, and residential mortgages for older borrowers each sit in their own band, and the rate available to you will depend on your age, the value of your property, and your circumstances. We review the market weekly to make sure our advice and recommendations stay current.

The FTSE 15-year gilt yield, the yield upon which some Later Life Lending interest rates are set, has seen major swings. This makes setting interest rates difficult for Later Life lenders & funders. The average interest rates offered for Later Life Lending over a 10-year period have been calculated at around 5.5%.

We are expecting higher regulation by the Financial Conduct Authority of our client product advice, which we have fully embraced.

This new regulation will shape the area of Later Life Lending advice for the better forever. We will do our best to understand what's expected & make the advice process as smooth & robust as possible for our clients.

Never has advice in this sector been more critical. Our commitment to you is simple: clear, honest, easy-to-understand guidance, so you can make the right decision for your circumstances with complete confidence.

Three Decades

Experience

Specialising in Later Life Lending advice for clients aged 50 plus.



Whole of Market

Independent advice drawn from across the lending market.



No Completion, No Fee

Unless your case completes, our service is at our cost.

Search Equity Release and *our Ethos*

Thank you for your enquiry at Search Equity Release, you've landed in our amazing world of Later Life Lending advice, and we look forward to supplying you with easy-to-understand information. It's what we pride ourselves on.

At Search Equity Release we assist you with real bespoke Later Life Lending solutions. All our advice experience was built in the equity release sector & Later Life Lending market.

We understand how the solutions provided enrich or impact you in later life. We also understand how your decisions impact you now and in the future. We will provide you with three decades of experience to help you overcome any concerns or questions.

We have many clients who have taught us life experiences and lessons over a very long career. The wealth of knowledge we can provide you reaches far beyond the borrowing of Lifetime Mortgages, mortgage lending & interest rates.

What sets us apart is the clarity and care we bring. We take the time to ask the right questions, understand your full picture, and shape our advice around your circumstances and objectives. No rush, no pressure, just clear, honest guidance at a pace that suits you.

The advice is tailored to your financial position, circumstances, and objectives. We would like to think that a lending solution can be found in this market for you & if it's not correct advice, then we will tell you so!

We hope you enjoy the guide.

*All the very best, **Craig**.*



Later Life *Lending*

See the highlighted reasons our clients have taken out Later Life borrowing. Whether you're looking to pay off an existing mortgage, release funds to spend on you or loved ones, or even to purchase a new home, Later Life Lending & Equity Release may be an option available to you.

Pay off an existing mortgage

01

We frequently assist clients that have reached the end of their mortgage term, and have no other option to consider other than sale, but they wish to remain in their home.

In some cases clients are unable to afford the mortgage, there are no cheaper options and they do not wish to move. A later life borrowing option can be suitable.

Purchasing a new home

02

We recently helped a lady of 70 upsize her property so that she had more room in the house for family get togethers. We've supported many of these cases & have a huge wealth of experience in this type of transaction, which would help you manage the move smoothly.

Inheritance tax planning and gifts to family

03

Some clients use Later Life Lending to reduce their inheritance tax bill. We can provide a referral to an inheritance tax specialist. Releasing property wealth and gifting to family is one way of reducing your estate value.

A recent client even paid for his daughters wedding day with a Lifetime Mortgage.

Fund & enjoy holidays

04

We deal with a large majority of clients that wish to utilise funds to enjoy their life. They wish to travel to the places they love or to explore new places. Often they've worked hard all their life and wish to enjoy some well-deserved relaxation.

Increase or top up income

05

As we see the state pension slip away, some of our recent clients have opted to use Later Life Lending to top up their income due to pension income gaps. We have also seen an uptake due to tax implications attached to drawing pension funds from a drawdown situation, which can have tax advantages. We always recommend you seek advice from a pension specialist and we can provide a referral for this advice.

More reasons clients *borrow*

Home improvements

06

This is one of the most popular uses of Later Life Lending. Do you wish to add an extension or replace the conservatory to enjoy the extra living space?

One client had been declined for a grant to upgrade her bathroom to a shower room, so she used a Later Life Lending option to achieve her goal, making her house old age proof.

Later life care in the home

07

We've personally dealt with many clients who have health impairment and had been recommended to move into long term care. With careful planning & advice these clients accessed Later Life Lending options and spent their twilight years in the comfort of their own home, with their own personal care.

Purchase a holiday home or caravan

08

You can use these funds to purchase a holiday home or caravan in your favourite place, somewhere to escape to and make memories with the people who matter most to you.

Repaying personal loan and credit cards

09

You may have a situation whereby you wish to reduce your outgoings to enrich your life. With correct advice a Later Life Lending option could be the solution for you.

New car & medical reasons

10

For some of our clients, a new car is high on the list of things they would do with the money raised. We recently had a lady jump the NHS queue to have her new knees completed, and now she is already up and about enjoying life again, unable to put a price on this outcome.

Later Life Lending *options*

What Is Equity Release?

Equity Release is any format of borrowing at any age that involves extracting capital from a person's property or properties.

Lifetime Mortgage

You would need to be 55 to qualify for this type of plan. A Lifetime Mortgage is always taken out on the main residence and you continue to own your home. The borrowing is not assessed by a lender on your income amount, although we will ask questions about income to provide robust advice. You can move in future subject to terms and conditions of each lender.

The amount provided is calculated against a clients age, and if joint borrowers the youngest clients' age. The lender will use age, the valuation of the property and in some cases health to provide the amount of permitted lending. There is no upper age limit to taking out these types of plans.

Historically Lifetime Mortgages were wholly accumulated interest mortgages, which meant they rolled up for the lifetime of the loan. New product innovation sees this product offer payment options to service & control interest costs. This product has a no negative equity guarantee, so you will never leave a debt to your beneficiaries.

It provides a drawdown facility to support future ongoing borrowing, with no set up costs each time you draw funds from the agreed facility. These mortgages are also portable, so you can transfer from one property to another, subject to lender review.

A no negative equity guarantee

With a Lifetime Mortgage you will never leave a debt to your beneficiaries, the loan is repaid from the sale of your property.

Residential & Later Life Mortgages

These plans are typically available from age 50. This is a changing world, as lenders return to the retirement sector and drive more lending options for you. Traditional lenders do still deal with clients like you, and we have experience of helping clients find these options.



The available lending amount is typically based on the amount of income you will have approaching retirement or in retirement. In some cases, lender calculations will consider assets such as pension fund values, investment portfolios, other income from land and property, and asset values such as other property. Lenders look for proof that a mortgage can be afforded now and in the future.

These mortgages normally have a reviewable interest rate every 2 to 5 years and can be offered on fixed, lifetime fixed or variable interest rates. This type does not offer a drawdown facility, though you could take a further advance with a new assessment, subject to the lender.



We have found beneficial rate offers, especially for people between the ages of 50 and 60, and some lender options run to age 80. Some options have a lifetime term. Traditional lenders may need to see how you will repay at the end of the term, while Retirement Interest Only providers will let you retain the borrowing for a lifetime.

The key differences to *consider*

	Lifetime Mortgage	Retirement Interest Only mortgage	Residential mortgage for older borrowers
How is the maximum borrowing amount calculated?	The amount you can borrow is based on a loan to value ratio of your property and your age(s) at the time of application. If you are joint borrowers this is based on the youngest applicant's age. Some lenders will also take into account previous health impairment. The youngest age requirement is age 55.	The borrowing amount is determined by your ability to afford the interest payments over the life of the lending. This takes into account current and future income / expenses. For joint borrowers, affordability is based on the lowest earner to ensure the surviving borrower can make payments if their partner dies or requires long-term care. Typically youngest age requirement is 55.	The amount you can borrow is determined by your ability to afford the payments for the loan duration. This is based on your current and future income and expenses. Joint borrowers can potentially borrow more as affordability is assessed on the total joint income. These mortgages can be available from age 50 up to age 80 dependent on your situation.
Is there a fixed repayment term?	No. The loan is repaid when acquiring another main residence, selling the current property, moving to residential care, or in the event of death, so there is no fixed repayment term.	No. The loan is repaid when acquiring another main residence, selling the current property, moving to residential care, or in the event of death, so there is no fixed repayment term.	Yes. There is a set repayment term which varies depending on the lender's criteria and the borrower's personal circumstances. The lenders have strict criteria on these mortgage products.
Are there monthly payments?	Typically, the interest costs are added to the outstanding loan amount, then the total amount is repaid at the end of the loan.	Yes, you'll pay an agreed monthly interest payment. No capital repayment is required towards the loan throughout the term of the loan. Your home is at risk of repossession.	Yes. If agreed on a capital repayment basis, monthly payments will include both interest and capital reductions. If you do not make the payments your home is at risk of repossession.
Is interest rolled up?	No payment is required. The interest is rolled up. You can choose to pay the interest monthly or ad-hoc if you wish.	No, the interest is paid monthly.	No, the interest is paid monthly. If capital repayment, this is also paid monthly.
How is the loan repaid?	These plans can be repaid early subject to a charge from the lender. You'll repay the loan from the sale of your property or other assets. This loan becomes repayable on death or 2nd death.	This type of plan can be repaid early. You'll repay the loan from the proceeds of the sale of the property or by refinancing onto another product, such as a Lifetime Mortgage. Alternatively you could use other assets to repay the debt.	This type of plan can be repaid early. Options to repay include re-mortgaging to another product, such as Retirement Interest only or the Lifetime Mortgage, as well as using proceeds from the property sale when moving into long-term care, or upon passing.

Later Life Lending is not for everyone, which is why you should seek professional financial advice to make sure it is a suitable option. Don't hesitate to call us today and we will help you understand all of the options, the benefits & the risks.

0113 403 5584

Whole-of-market *access*

As a whole-of-market firm we search across our entire lending panel to find the most suitable product for your circumstances. Independence means our recommendation is based solely on what is right for you.



MEET BRUNO

A friendlier way to start your equity release *journey*

Not everyone wants to start with a phone call, and that's completely fine. Bruno is the friendly digital guide on the Search Equity Release website. He's here to make Later Life Lending feel a little less intimidating, with no jargon and no pressure.

Bruno walks you through a handful of straightforward questions, then gives you a quick, plain-English estimate of how much equity you might be able to release from your home. It takes around two minutes, and there's nothing to sign or commit to. You can do it on your phone, tablet, or laptop, whenever it suits you.

When you're ready to take the next step, Bruno will offer to book a free, no-obligation call with one of our specialist advisors at a time that works for you. From that point on, our team takes over with the personal, specialist advice that no chatbot can match.

Think of Bruno as a friendly starting point. Our specialist advisors are always the ones who give you the real advice.



Three simple steps to your *estimate*

Answer a few simple questions

01

Bruno asks your age, your approximate property value, and what you'd like to use the money for. It takes around two minutes, and there's nothing to sign or commit to.

Get an instant, plain-English estimate

02

Based on your answers, Bruno shows you roughly how much equity you may be able to release. It's an illustration to help you think, not a guaranteed offer.

Meet a specialist adviser for your free consultation

03

If you'd like to take things further, Bruno can arrange a free, no-obligation call with one of our specialist advisors at a time that suits you. No pressure, just good advice.



SCAN TO TRY IT FREE

Try Bruno now

askbruno.searchequityrelease.com

Completely free. No obligation. No data stored.



SPEAK TO OUR TEAM

Begin your Later Life Lending enquiry today, contact our specialist advisors!

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MORTGAGES IN LATER LIFE CAN HELP TO REFINANCE EXISTING MORTGAGES, PURCHASE A NEW HOME,
OR UNLOCK EQUITY IN YOUR HOME.



Equity Release (Lifetime Mortgage) is a loan secured against your home. To understand the features and risks of equity release, please ask for a personalised illustration.

As a whole-of-market firm, we continue to offer a comprehensive range of equity release (Lifetime Mortgages) products from across the market.

If you are thinking of consolidating existing borrowing, you should be aware that you may be extending the term of the debt and increasing the total amount you repay.

The actual interest rate and fees charged will depend upon your circumstances.

Unless you decide to go ahead, our service is at our cost. Only if your case completes would our advice fee of a maximum of £1,495 be payable. Other lender & solicitor fees may apply.

Equity release will reduce the value of your estate and could affect your entitlement to means-tested benefits.

At One Stop 4 Equity Release Limited we are committed to providing our clients with specialist Later Life Lending financial advice tailored to their individual needs. For Retirement Interest Only (RIO) mortgages, Term Interest Only (TIO) mortgages, and Interest Only mortgages for ages 50 and over, we also provide independent 'whole of market' advice. If you proceed with a mortgage that requires payments to be made, your home may be repossessed if you do not keep up repayments on your mortgage.

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