Search Equity Release



Craig Oliver

Equity Release

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

A Foreword From Our Director Craig Oliver



THE EQUITY RELEASE AWARDS 2018 MortgageSolutions
WINNER
BEST INDIVIDUAL ADVISER
Craig Oliver

Proud to be a Member of the Equity Release Council

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

Introducing Search Equity Release, having spent 24 years in this industry, I've personally seen all the ups & the downs in this industry. I 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 todays advice. I aim to protect you with good decision making and transparency.

Interest rates in the whole Later Life space in April 2024 are currently 4.89 – 9%. This situation is changing daily, we will need to review Interest rates & advice weekly to make sure we're in the correct place for our clients. The FTSE 15-year gilt yield, the yield upon which some Later Life mortgage 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 Mortgages over a 10-year period have been calculated at around 5.5%.

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. We are expecting higher regulation by the Financial Conduct Authority of our client product advice which I have fully embraced. This new regulation will shape the area of Later Life Mortgage 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.

With my experience of this market, I'm well positioned to help you understand this industry & its available products.

Search Equity Release and our Ethos

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

At Search Equity Release I assist you with real bespoke later life lending solutions. I have operated in assisting clients like you for over 24 years. All my advice experience was built in the equity release sector & later life lending market.

I understand how the solutions provided enrich or impact you in later life. I also understand how your decisions impact you now and in the future. I will provide you with 24 years of experience to help you overcome any concerns or questions.

I have many clients who have taught me a life experience & lesson over a very long career. The wealth of knowledge I can provide you reaches far beyond the borrowing of lifetime mortgages, mortgage lending & interest rates. I provide relevant correct outcomes.

What makes me different - I provide easy to understand information and advice. I know the relevant questions to ask you and can get to the top & bottom of the enquiry very quickly as I understand my clients & their objectives. I can arrange your thoughts quickly & effectively gaining you a solution in a timely manner.

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

This guide will help you understand why our clients use borrowing approaching or in retirement, it will most importantly explain the main borrowing options available to you– either approaching retirement or in retirement.

I 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 some funds to spend on you / loved ones, or even to purchase a new home. Later Life lending & Equity Release may be an option available to you. Most of our clients start on a journey, considering how they will spend the funds.

Pay off an existing mortgage

I 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, I also find that our clients are unable to afford the mortgage on their home, there are no other cheaper mortgage options and they do not wish to move. In this scenario, a later life borrowing option can be a suitable option.

Inheritance tax planning and gifts to family

Some of our clients have utilised Later life lending to reduce their inheritance tax bill. To understand how this would work for you, i can provider a referral to an inheritance tax specialist. Releasing property wealth and gifting to family is one way of reducing your estate value.

Gifts to family could help them gain a foot on the property ladder. We have helped many people provide gifts to their family.

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

Increase or top up income

As we see the state pension slip away every time you get that bit closer to that golden retirement date, some of our recent clients have opted to use Later life lending to top up their income due to pension income gaps.

I have also seen an uptake in clients using later life lending options due to tax implications attached to drawing their pension funds from a drawdown type situation. This can have tax advantages.

We always recommend you seek advice from a pension specialist and we can provide a referral for this advice.

Later Life care in the home

I've personally dealt with many clients who have health impairment and they 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.

Purchasing a new home

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

Fund & enjoy holidays

I 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 in fact to explore new places. This is sometimes a decision they make following the loss of a loved one as they its now they wish to enjoy the day they've been blessed with, alternatively they've worked hard all their life and wish to enjoy some well-deserved relaxation.

Home improvements

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? Its possible this type of borrowing could help you.

One of our clients had recently been declined for a grant to upgrade her bathroom to a shower room, so she utilised a later life lending option to achieve her goal, she said the upgrade to her house – would now make it old age proof!

Purchase a holiday home or caravan

You can use these funds to purchase a holiday home or caravan in your favourite place.

Repaying personal loan and credit cards

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

For some of our clients, a new car is high up on the list of things that they would do with the money raised.

We recently had a lady jump the NHS que to have her new knees completed and now she is already up and about enjoying life again, she is 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. You continue to own your home. The mortgage 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 through a lifetime mortgage product 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 mean 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.

This type of plan provides a drawdown facility to support future ongoing borrowing. You will not be charged set up costs every time you wish to draw funds from the agreed facility. This type of plan has been proven to save interest costs over the years.

These types of mortgages are portable which means you can transfer from one property to another. The lender would review the request & the acceptance would be lender dependent on how much you had originally borrowed. If you move to a smaller value property, you may have to repay a portion of the lending to bring the loan ratio inline with the new lower value 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 & drive more lending options for you. This may be news to you, but traditional lenders do still deal with clients like you. We have experience of helping clients to find these options.

The available lending amount on this type of mortgage borrowing 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 & property & asset values such as other property. The lenders look for proof that a mortgage can be afforded now and, in the future, looking at future income provisions and a much more detailed review of finances is taken out.

We have been able to find beneficial interest rate offers on these products especially for people in the age 50 to 60 age range, some of these lender options will run to age 80. Some options have a lifetime term. Traditional lenders may need to see how you will repay the mortgage at the end of the term. Retirement Interest only providers will let you retain the borrowing for a lifetime.

These types of mortgages normally have a reviewable interest rate every 2 – 5 years and can be offered on fixed, lifetime fixed or variable interest rates.

This type of mortgage does not offer a drawdown facility for ongoing borrowing needs. You could however take a further advance with a new assessment, subject to the lender.



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 & your age(s) at the time of application. If you are joint borrowers this is based on the youngest applicants age. Some lenders will also take into account previous health impairment. The youngest age requirement is age 55.	The borrowing amount for a mortgage is determined by your ability to afford the interest payments over the life of the lending. This calculation takes into account current & 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.	When applying for a mortgage, 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 & 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 adhoc 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 me today, and I will help you to understand all of the options, the benefits & the risks - **0113 4147664**.

Search Equity Release

Begin Your Later Life Lending Enquiry Today - Contact Craig Now!

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

THE EQUITY RELEASE AWARDS 2018 Mortgage Solutions WINNER BEST INDIVIDUAL ADVISER Craig Oliver

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We are a member of the Equity Release Council. To understand the benefits and risks, please request an illustration.