

Equity Release - A Step-by-Step Guide

What Is Equity Release?

Equity release lets you access the money tied up in your home, without having to move.

There are two main types:

Lifetime Mortgage:

The most common type of equity release. It allows you to borrow money against the value of your home while retaining full ownership. The loan, plus any interest, is usually repaid when you die or move into long-term care.

Home Reversion Plan:

Involves selling all or part of your home to a provider in exchange for a tax-free lump sum or regular payments. You stay in your home rent-free for life, but you no longer fully own it.

What's Right for You?

Equity release is not the right fit for everyone and consideration should be given to:

- Your goals (e.g. helping family, improving your retirement income)
- Alternatives (downsizing, other borrowing, pension access)
- Implications for inheritance and benefits

Benefits of Lifetime Mortgages:

- **Retain ownership** of your home while unlocking cash.
 - **Flexible access:** take a lump sum, drawdown, or a mix to suit your needs.
 - **No repayments required** during your lifetime (unless you choose to make voluntary payments).
 - **Fixed interest rates for life** reduces any concerns about rate changes.
- Best suited for:** Homeowners who want to stay in their property, prefer flexibility in how funds are accessed, and want to keep some control over their estate planning.

Benefits of Home Reversion Plans:

- **Guaranteed right to stay** in your home rent-free for life.
 - **Certainty:** knowing exactly what share of a property you've sold and what remains for your estate.
 - **Potential larger lump sum** compared to some Lifetime Mortgage options, especially at older ages.
- Best suited for:** Older homeowners (usually 65+) who want certainty, are less concerned about leaving full property value as inheritance, and prefer a straightforward lump-sum arrangement.

Specialist Financial Advice –

This is a regulated area, and rightly so. We will:

- Assess your personal situation and help weigh your options
- Explain the risks clearly only recommending equity release if it truly suits your needs
- Recommend products registered with the Equity Release Council, therefore no negative equity

Choose the Right Product:

- Interest Rates and Fees
- Repayment Options
- Inheritance Protection

Receive Funds - Lifetime Mortgages:

Either as a single lump sum or as a drawdown facility (flexible over time) or a combination of both.

Receive Home Reversion Funds:

Either as a lump sum or regular income payments depending on the plan.

Ongoing Support

Equity release is a long-term decision. We'll be here to answer your questions and to help if your circumstances change.

We can also work with your family if needed. Financial planning isn't a transaction — it's a relationship.

