

Don't consider Equity Release until you have read this guide

New for 2023

The Ultimate Guide to

# Equity Release

**MYTHS**

**VS**

**FACTS**

*Are you considering Equity Release? Have you been put off by the endless TV adverts and internet horror stories?*

In this guide we will answer the most common questions asked when considering Equity Release, plus we will address some of the most common Equity Release myths!

When you are ready to explore you options further, you can [click here](#) to discuss your plans with a qualified adviser. No hassle or pressure, guaranteed.



## What is Equity Release?

Equity Release is a safe way for homeowners aged over 55 to release tax-free cash from the value of your home.

The amount you can borrow depends on a number of factors, including your age, the value of your home and any existing mortgage you have.



## How much Equity Release am I eligible for?

Find out today with our [FREE EQUITY RELEASE CALCULATOR](#)

See how much Equity you can release with our  
**FREE EQUITY RELEASE CALCULATOR**

# EQUITY RELEASE MYTHBUSTER

## **Myth #1: “Equity Release is a con”**

*This is the number one misconception regarding Equity Release, and unfortunately many people are missing out on a safe and flexible way of releasing funds from their home, simply because they believe this misinformation.*

*In the 1990s Equity Release had a bad reputation, this is when the industry was unregulated. In 1991 the origins of the Equity Release Council was formed, implementing strict laws that protect homeowners. The council codes of conduct include:*

- **You will always own your own home**
- **You can live there until you die or move into permanent care**
- **You will be protected by the no negative equity guarantee**
- **You have the option to make voluntary repayments to the plan (applicable with lifetime mortgages).**

*The industry has reinvented itself, and the new products are designed with the customers best interests in mind. The newer products, generally known as Lifetime Mortgages, offer a safe and flexible way to release equity from your home.*

**DID YOU**

**KNOW**

**Nearly 50,000 homeowners  
took out new equity  
release plans in 2022\***

\*Source Q4 2022 equity release market statistics



## Do I qualify for Equity Release?

To qualify for Equity Release:

- The youngest homeowner must be at least 55 years old
- The property in question must be in the UK
- The property must be worth at least £70,000

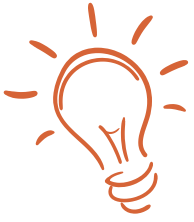
To find out if you could qualify for Equity Release, book a [Free No Obligation Appointment](#) with an Equity Release Expert today!

**Do I qualify for Equity Release?  
FIND OUT TODAY**

## EQUITY RELEASE MYTHBUSTER

***Myth #2: “I will end up owing more than my home is worth”***

*Provided you take out a plan with a provider approved by the Equity Release Council, then your plan will come with a No Negative Equity Guarantee, so you will never owe more than the value of your home when it is sold. You can also make repayments with a lifetime mortgage.*



## What can Equity Release be used for?

Equity Release can be used for anything you wish, however some of the most common uses are-

- Repaying an existing mortgage (must be repaid from funds)
- Paying off Debts
- Inheritance Tax Planning
- Gifting to children and Grandchildren
- Home improvements
- Treating yourself to a dream car or holiday



## Is a Lifetime Mortgage the same as Equity Release?

Lifetime Mortgages are the most popular method of Equity Release plan accounting for over 99% of plans.

Within this guide, when we use the term Equity Release, we will be referring to a Lifetime Mortgage.

Lifetime mortgages provide the security of home ownership for life. The plans are settled from the sale of your home when it is eventually sold, and any remaining money is paid to your estate. Your adviser will provide detailed illustrations.

# EQUITY RELEASE MYTHBUSTER

## **Myth #3: “I will no longer own my own home”**

With a Lifetime Mortgage you remain the owner of your home.  
A Lifetime Mortgage is a loan secured against the value of your property.  
You have the security of full homeownership for the rest of your life.



## **Where can I get advice on Equity Release?**

It's important that you get advice from a specialist equity release adviser before taking out equity release. All the advisers at Later Life Finance are fully qualified and members of the Equity Release Council.

Our advisers offer a Free 30 minute initial phone consultation to see if an Equity Release Product is suitable for you.

**Is Equity Release right for you?**

**BOOK A FREE CONSULTATION**

**DID YOU**

**KNOW**

**Over £6.2bn was released  
from homes in 2022\***

\*Source Q4 2022 equity release market statistics



## How much interest do I pay back with Equity Release?

The interest that you pay will depend on a number of factors- the plan you choose, the length of the plan and the interest rate. Some equity release plans give you the option to pay back the interest monthly.

When you take out a plan your adviser will explain all these options to you and will give you a detailed breakdown of the amount of interest you can expect to repay.



For a detailed calculation of how much interest you may need to repay, visit our [FREE EQUITY RELEASE CALCULATOR](#) or book a [FREE appointment](#) with an adviser

## EQUITY RELEASE MYTHBUSTER

### **Myth #4: “I can’t move home with Equity Release”**

*You can move home with Equity Release, providing that your new home meets the lending criteria of your Lifetime mortgage provider.*

*Your Equity Release adviser will also discuss plans offering downsizing protection, allowing you to pay back your Equity Release mortgage early, without incurring further charges.*



# Will my family still get an inheritance?

Yes, you can still leave an inheritance to your family with Equity Release. Some people choose to use inheritance protection to protect a portion of their home's value to leave as an inheritance.

Gifted an Early inheritance is also a popular use of equity release, where parents gift their children a lump sum to help them out financially. We always recommend speaking to your loved ones when taking out an equity release plan.

Hopefully this guide has answered all your Equity Release and Lifetime Mortgage questions. If you would like further information or would like a FREE EQUITY RELEASE QUOTE then get in touch with one of our Equity Release Experts.

**Do you have more questions?  
SPEAK TO AN EXPERT**

To understand the features and risks of a Lifetime Mortgage ask for a personalised illustration. Taking out an equity release mortgage may have an impact on state means tested benefits both now and in the future.

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