

# Adviser discussion guide



## What is the intention of this document?

This document is intended to be used for guidance only and should not be considered financial advice.

## What is a lifetime mortgage?

A lifetime mortgage is a type of equity release mortgage. If you are a homeowner aged 55 or over, you can access funds secured against your home whilst keeping ownership of your property. Your mortgage could consist of either one payment or several smaller payments depending on your suitability. The amount that you can borrow depends on a number of factors such as your age and the property value. Interest builds up throughout the life of the mortgage but repayment is not due until the death or entry into long-term care of the borrower. The loan is then typically repaid through the sale of the property.

## Why do I have to get advice?

A lifetime mortgage is intended to be a long-term financial decision, as a result you are required to take out financial advice. This document can prepare you for that conversation, making sure you are informed, confident, and ready to make the decision that is right for you.

A financial adviser will consider your personal circumstances and the different options available to you, one of which may be a lifetime mortgage. If they do recommend that you proceed with a lifetime mortgage, they will apply on your behalf and support you through the process.

Additionally, as a lifetime mortgage is intended to be a long-term financial decision, advice is mandated by the Financial Conduct Authority (FCA).

A financial adviser will help you navigate your options. They bring clarity to complex choices and help you meet your financial goals. Remember, releasing equity from your home is not suitable for everyone, so an adviser will objectively assess whether it fits your needs.

Before you meet with your adviser, take a moment to consider your personal circumstances and future plans.

Your time with a financial adviser is a team effort. Expect them to ask probing questions to fully understand your financial situation. Sometimes this may feel invasive – remember, they need to understand your situation fully in order to give you fair independent advice.

Here is what you should be prepared to discuss:

- What do you hope to achieve by releasing equity from your home? Reflect on what you aim to achieve, whether it is home improvements, additional income, or other financial needs. You should consider what you will do with the money.
- What is your current household income? Understanding your cash flow is essential for making an informed decision.
- Have you considered alternative methods for accessing finance? Your adviser will want to assess whether you have already exhausted other options that may be more suitable to your goals.
- What is your understanding of how to pay back a lifetime mortgage? It is ok to not know the answer to this, your adviser will be able to explain it to you.
- Have you discussed releasing equity with your family? We encourage transparency when making a financial decision like this, especially as it can impact inheritance.

Come prepared to ask questions. Read over the information on our website and make a note of anything you are not sure about or want to talk over.

## Other questions you may want to ask

- How will a lifetime mortgage impact my estate after I pass away?
- How does the “No Negative Equity” guarantee work?
- What are early repayment charges, and when might I have to pay them?
- Who will deal with my mortgage if I move into long-term care?
- What if I want to move house?
- Can my child or grandchild live with me if I have a lifetime mortgage?
- Are there other alternatives that might be suitable for me?

We embrace transparency and encourage you to talk to your family about your plans. Getting them involved means there are no surprises, now or in the future. There's a lot to think about here, so you might like to print out this document and use it to help you in your meeting.

## What should I bring with me?

- Proof of identity (passport, driver's license)
- Proof of income (payslips, pension statements)
- Details of your current mortgage and outstanding balance
- Recent bank statements
- Recent investment statements
- Details of any debts and/or outstanding loans