



**5 TOP TIPS**  
*About*  
**EQUITY  
RELEASE**



FROM THE  
EQUITY RELEASE GURU

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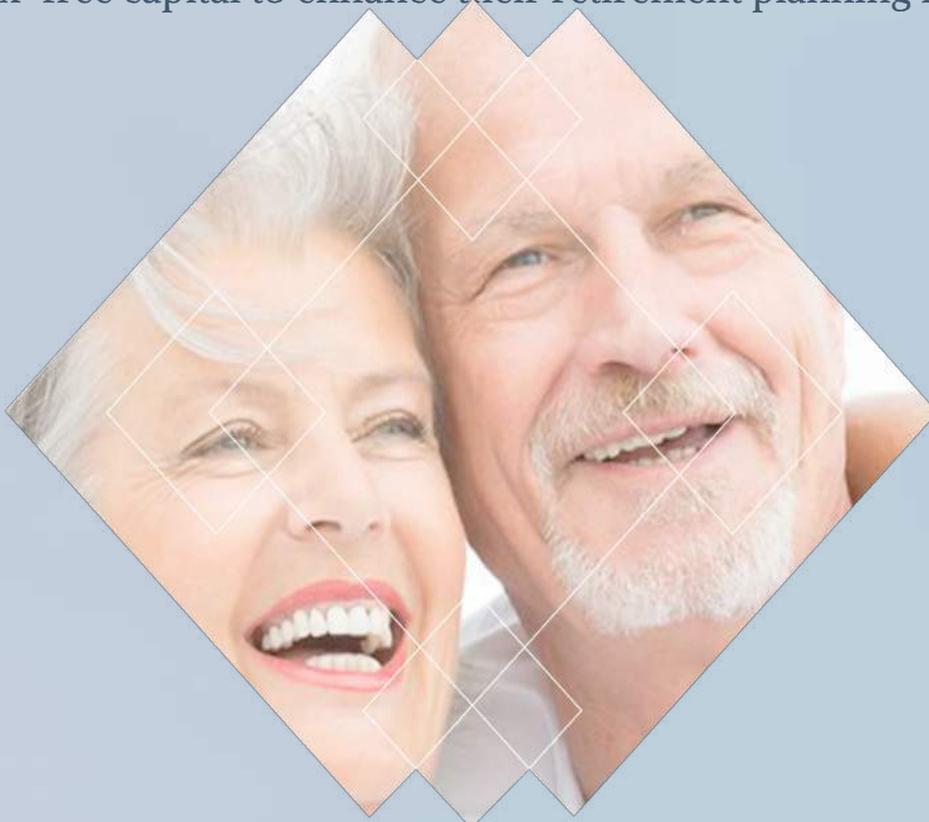
## Introduction To Equity Release

Equity release enables people over the age of 55 to access tax-free cash locked in the value of their home either in their retirement years or approaching retirement.

This tied up money is called Equity. People choose to take a lifetime mortgage which becomes repayable either upon death or moving into long term care. If you are married the end of the plan will always take account of the two applicants. You do have an option to repay borrowing early.

Please speak to an advisor should you wish to take out equity release and repay the borrowing early. There are certain circumstances whereby an equity release is a great idea for short term lending purposes as well as longer-term. A large percentage of equity release loans are taken out over a lifetime term.

Despite the stated cost of equity release, increasing numbers of people over the age of 55 are turning to equity release as a way of raising tax-free capital to enhance their retirement planning needs.



# HERE ARE SOME OF THE REASONS MY CLIENTS HAVE USED EQUITY RELEASE ?

## PAYING OFF CREDIT CARDS

My clients have utilised a lifetime mortgage borrowing to repay high interest cost credit cards and debt management plans.



## HOME RETENTION

Clients have utilised a lifetime mortgage at the point their current mortgage expired. In some cases this option secured the clients security in their home for the rest of their life.



## DREAM HOLIDAYS

You can use a lifetime mortgage to enjoy holidays every year by using a drawdown lifetime mortgage option.



## HOME IMPROVEMENTS

You can use a lifetime mortgage to complete an extension, add an orangery roof, update the home for the rest of your life or even adapt a living area for long term care.



## PURCHASE A PROPERTY

Did you know you can use a lifetime mortgage to purchase a more valuable home and use the lifetime mortgage as deposit funds to enable the purchase.



## PURCHASE A HOLIDAY HOME

You can use a lifetime mortgage to purchase a holiday home or log cabin. Just so you know some lenders will permit a lifetime mortgage security on a holiday home or second home at the same time as your main residence.



## ENJOY RETIREMENT STRESS FREE

You can utilise a lifetime mortgage to provide income, future drawdown capital and provide peace of mind and financial security. Please remember the lifetime mortgage funds are provided to you tax free.



## INHERITENCE TAX PLANNING

You can utilise a lifetime mortgage as part of an effective inheritance tax strategy.

You should always take advice regarding inheritance tax planning.

Some of my clients have legally gifted funds to their family as part of their own strategy with the correct financial advice.



## ASSISTING CHILDREN & FAMILY WITH DEPOSITS

A lifetime mortgage is a great way to help a family member upsize or even get their foot on the first rung on the property ladder.



## PAY OFF ANY EXISTING LOANS OR MORTGAGES

A lifetime mortgage can be a great tool to repay a repayment mortgage or even to repay an interest only mortgage.

With the correct advice this could just be the route for you, please call us to discuss whether this is the correct option.



## PROVIDING CAPITAL TO CHARITY

A lifetime mortgage can be utilised to assist a charity.

I had a client borrow from a lifetime mortgage to assist their chosen charity as leaving an inheritance to family was not important to them.



# WHAT IS A LIFETIME MORTGAGE?

A lifetime mortgage has a lifetime term therefore there is no threat of repossession from the lender.

A lifetime mortgage has a fixed interest rate for the lifetime of the mortgage.

You own your own home and are free to live here as long as you wish.

This is a mortgage which has accumulative interest and you do not have to make monthly payments

You have the option to accumulate interest or pay the interest or even do both as and when you wish.

This product would be regarded as today's most common product. You can move home if you wish and this plan can be repaid. (subject to each lenders criteria)

When looking at a lifetime mortgage consider using an equity release specialist and lender that is a member of the Equity Release Council.

The Equity Release Council is a trade body focused on key themes of representative lobbying, leading and setting high standards. .

Equity release is covered by a no negative equity guarantee which means that your loan can never be more than the value of your home.



There are three main types of lifetime mortgages

- Lump-Sum Lifetime Mortgages.
- Drawdown Lifetime Mortgages.
- Flexible lifetime Mortgages.

## LUMP SUM LIFETIME MORTGAGE

A lump sum lifetime mortgage is when you will receive a tax-free cash lump sum rather than releasing money gradually. Interest will roll up on the loan amount that you choose to release and will be usually using the sale of the home to repay the interest along with the lump sum when the last homeowner either dies or has to move into permanent long-term care.

The interest rate at the time of the plan will be fixed for the lifetime of the plan.

Figures from the Equity Release Council show that the equity release market raised by 8% in the third quarter of 2019.



## DRAWDOWN LIFETIME MORTGAGE

A Drawdown lifetime mortgage enables you to release a lump sum of tax-free capital from the property initially.

The rest of the money can be kept in a reserve account until at a later date can be drawn-down.

Interest does not come into play on the money held in reserve until you have released it.

Drawdown products are the most common choice among new customers due to their flexibility and that no interest is charged on the amount in the drawdown facility.

## FLEXIBLE LIFETIME MORTGAGE

Both the lump sum and drawdown type of mortgage can also be flexible lifetime mortgages.

This allows you the ability to make ad-hoc payments annually or semi-annually.

Some lenders will now allow you to make monthly payments usually by setting up a standing order to ensure that the interest does not build up.

However, if you decide you don't want to make any payments at all, you don't have to.

The majority of lenders will charge early repayment charges for paying off the plan early. There are lenders that will define maximum early repayment charges so you are aware of the cost if you wanted to pay it back early.

# TOP TIP #1

## Specialist Advice & Choosing a Service? Points to Consider!

Take specialist advice from a company which specialises in equity release.

We would recommend the company you deal with be independent and whole of the market, providing you with access to all equity release plans. Many competitive equity release plans are only available through an independent source.

You should not typically pay any fees upfront for the advice and recommendations provided. Please make sure the company you are dealing with is FCA (Financial Conduct Authority) regulated and a member of the Equity Release Council.

The advisor should offer to review all your finances and existing assets to understand your financial position so that he/she can understand your objectives in more detail.



# EQUITY RELEASE COUNCIL APPROVED MEMBERS



## TOP TIP #2

# Consider Your Alternative Options Carefully What Are These Options?

Review the option of moving home and moving to a smaller property, have you considered this? Have you reviewed the cost of this?

Is it possible for you to utilise any excess savings before taking out equity release? Do you have any premium bonds or savings earning very little interest?

It may just be time to utilise them.

Would you have the room & flexibility to take a lodger and gain a monthly rent to increase your monthly income? The government currently have a rent a room scheme which permits you to keep the rent up to a certain limit tax-free.

Have you checked your entitlement to means-tested benefits? If you are unsure of your eligibility then please contact Equity Release Guru and we will carry out a free check for you on the Turn 2 Us website.



## Other Options To Consider

Are there any local authority grants available to help support works around the home?

These grants may be available if you have a disability or health issue.

Have you reviewed your income/outgoings budget plan recently to pinpoint where you are overspending? A good advisor should be able to provide you an income/outgoings print out or excel spreadsheet for you to calculate your finances.

Is there any possibility your family would provide you capital or even income to pay a mortgage? Have a good chat with family about your intentions.

Would a more traditional type mortgage suit your circumstances? This may be an option considered by those approaching retirement but looking to work past their retirement date. This is an ever-growing market.

Do you own other properties you can remortgage such as a buy to lets or a holiday home? Interest rates can be lower when looking at remortgaging other property.



## TOP TIP # 3

### How Much Can You Borrow?

Equity Release loans are provided based on set loan to values for each lender. The lenders may score their loan to values in different ways. Some lenders will take your age and property value into account before providing their chosen LTV ratio. Other lenders will also add in the effect of any previous poor health.

It is prudent to tell your advisor all your previous and current health details as providing this information could mean a reduction in a stated interest rate or even a larger amount of cash been made available to you.

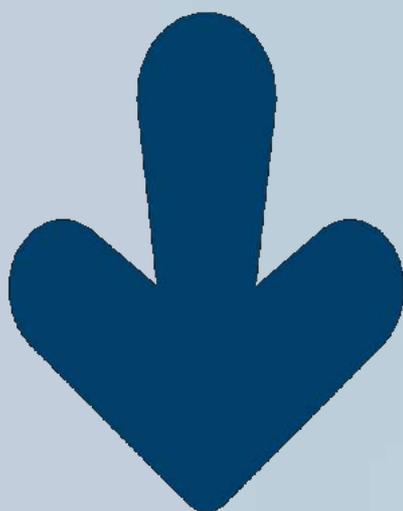
We have a free calculation that you can request from us. If you provide us with your age, property valuation & email address we will send you a personalised calculation provided from all lenders showing how much they are willing to provide to you. We will send this back to you on email free of charge. You will receive a list of all the lenders and their interest rates.



# Use Our Calculator

See How Much TAX-FREE Cash You Can Release  
From Your Home

CLICK THE PICTURE BELOW TO GET YOUR  
INSTANT CALCULATION NOW



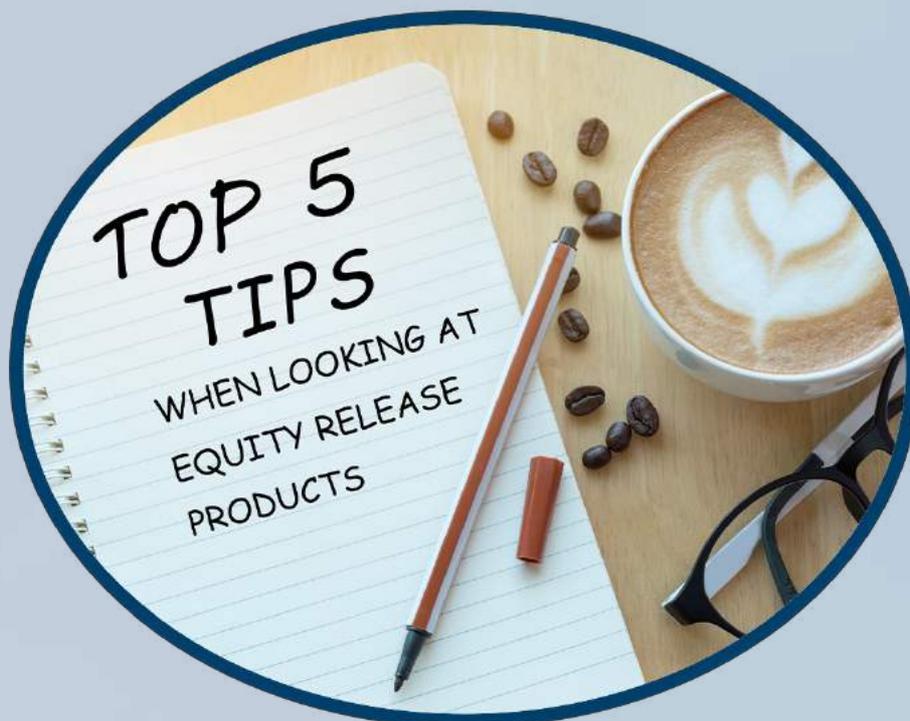
## TOP TIP #4

### Illustration & Recommendation

You have now picked the advisor you wish to use, considered your alternatives and understand how much you can borrow with your agreed plan features – please request an illustration and recommendation to understand how the equity release will operate for you.

You will be provided with a key facts illustration which will set out all the terms of the recommended equity release plan including the interest rate, early repayment charges & all typical costs involved in setting up the equity release plan.

Equity release providers should guarantee that you will never have to repay more than the value of your property.



# Things To Look Out For In The Illustration

## DISCLOSURE OF ADVISORS FEES

If you are using an equity release specialist, you should have been provided with an Initial Disclosure Document (terms of the business contract) confirming the advisor's arrangement fee and disclosing how the company gets paid.

## UNDERSTANDING FEES AND HOW MUCH YOU WILL PAY

Please check that you understand all applicable fees within the recommendation.

## REVIEWING THE INTEREST RATE

When reviewing the interest rate –clarify with your advisor whether the interest you are charged is calculated monthly or annually. An interest rate quoted monthly can appear cheaper than other illustrations but is more expensive in the long term

## SUITABILITY OF THE PRODUCT

You should be provided with a suitability document confirming the suitability of the advice.

## EARLY REPAYMENT CHARGES

It's imperative that if you are likely to repay the plan early you have the option available with the lowest charge

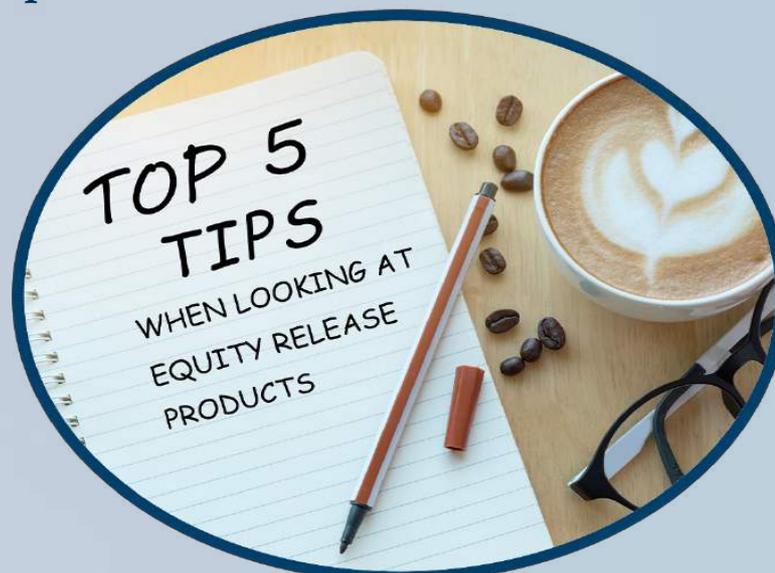
## TERMS & CONDITIONS

Read the terms and conditions and any paperwork provided to you. This information is provided as your longer-term security.

## TOP TIP #5

### Steps Of Clarification

1. Find a suitable company
2. Arrange a meeting with your chosen company and arrange a meeting face to face.
3. Make yourself happy with your advisor and their fee terms.
4. Discuss how a lifetime mortgage works and match up your short, medium and long term objectives.
5. Work out whether this product is right for you by reviewing all of your alternative options.
6. Request an illustration (Key Facts Document) from your advisor
7. Make sure the terms are correct.
8. Before you proceed make sure you speak with your family in full.
9. Apply for the plan.



# Contact Equity Release Guru

On any of the below  
methods

FACEBOOK



equityreleaseguru

LINKEDIN



equityreleaseguru

PHONE



01924 792 182

E-MAIL



craig@  
equityreleaseguru.co.uk

Or Visit Our  
Website Now

<https://equityreleaseguru.co.uk>

**THANK** YOU

## **I Welcome Your Feedback**

Who am I?

Craig Oliver CeMAP CeRER

Senior Equity Release Advisor & The Equity Release Guru

I have over 18 years of experience specialising in Equity Release.  
I love providing a personal service to my clients.



Don't Just Take My Word For It.....

## Client Testimonials

Craig was efficient yet let us have time to think through our big decisions without ever applying any pressure. He talked us through all our options before recommending equity release including downsizing & using our current savings. He even offered to meet our children who live in London to explain the contracts. Craig was meticulous when explaining the contract terms provided by our lender. He had a positive and friendly professional personality and we would not hesitate to recommend him to friends and family.

**Mr & Mrs Sheldon,  
Leeds**

Craig offered a professional, efficient and expert service that guided us through the whole process. He sought to understand our needs and made sure that equity release was the right thing for our circumstances. His service didn't stop at the point of application, but he guided things through right to the point of the fund's drawdown. The funds allowed us to help our children get onto the housing ladder and now they all own their own home.

**Mr & Mrs Seymour,  
York**

I highly recommend Responsible Life to anyone thinking of taking out equity release. I was extremely concerned about the process but after the second meeting with Craig Oliver, I felt confident that this was the right decision. Craig was unbelievably patient and understanding. He explained the process fully and allayed any doubts I may have had. I was able to secure low-interest rates because of Craig's thorough approach where he spent a lot of time finding the right product to suit my individual needs.

I'm extremely grateful to Craig for guiding me through this process as the end result has given me freedom and peace of mind. Nothing was too much trouble for him and because of that, I would highly recommend Responsible Life. Thank you, Craig!

**Mary Tempest,  
London**

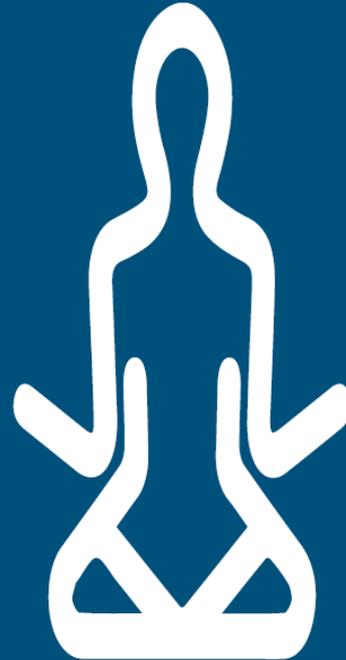
Craig The Equity Release Guru is so lovely, he is like family when he talks to you. All the work he did for us was wonderful and for a very good price too. I highly recommend his services as he is such a lovely man and is always wanting to help you. Thank you so much Craig :)

**Mr John Poulton,  
Sheffield**

Great, absolutely great. I dealt with a guy called Craig. He did a really good job and went above and beyond. I highly recommend using this company as they will not let you down. Before I came here I went to another company and they just tried to get as much money out of me as possible but here they really try and do the best for you. Thank you Craig.

**Barry Higgs, Cheshire**

# EQUITY RELEASE GURU



**LIFETIME MORTGAGE SPECIALIST**

