



For adviser use only

# Getting Started in Lifetime Mortgages





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# Understanding the market

To advise confidently on lifetime mortgages, it's essential to understand the broader retirement funding landscape and where property wealth fits in.

Lifetime mortgages sit at the intersection of underfunded retirements, asset-rich but cash-poor households, and a growing desire among older customers to age comfortably in their own homes. Yet only a small proportion of consumers currently expect to use equity release as part of their retirement strategy, suggesting a clear awareness and advice gap.

**£3.7 Trillion**



In property equity held collectively by individuals over 50.



## The growing gap in retirement planning

While no two clients are the same, understanding the typical profile of an equity release customer helps advisers frame more effective and suitable conversations. The average client is asset-rich but relatively cash-poor, with the majority of their wealth tied up in their home rather than in accessible savings or pension income.

For many clients, this highlights a growing gap between what traditional retirement planning is expected to deliver and the reality of their later life finances. While the majority of people expect to rely on the State Pension (around 85%) and private pensions (over 60%), many people find that their plan won't deliver their desired retirement.

## The role of equity release in later life planning

This imbalance is particularly striking when comparing levels of wealth. Adults aged 55+ hold over £320,000 in property wealth on average, which is significantly more than their average savings and investments (around £20,000) and considerably higher than the average pension pot at retirement.

These statistics illustrate why equity release can play a valuable role in later life planning, bridging the gap between substantial property wealth and more limited liquid assets, while allowing clients to remain in their own homes and maintain financial independence.

## The average Lifetime Mortgage client

**70 years**



Is the average age of a equity release customer

Average property wealth held by adults aged 55



**£321,213**

Average savings and investments for adults aged 55



**£20,020**

Average pension pot size for adults aged 55

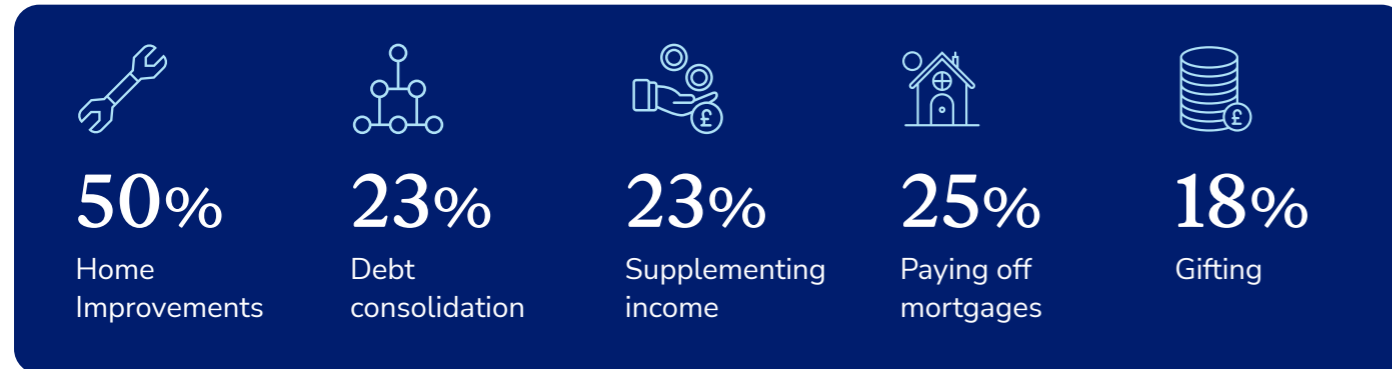


**£114,466**

## How is money from equity release being used?

This graphic highlights how funds release through equity release are most commonly used. The data shows that clients typically access housing wealth to meet practical later-life needs, with home improvements being the most common use. A significant proportion also use funds to

supplement retirement income, repay existing mortgages, consolidate debts, or provide support to family members. Together, these uses demonstrate that equity release is often used to improve financial stability, maintain independence, and support quality of life in later years.

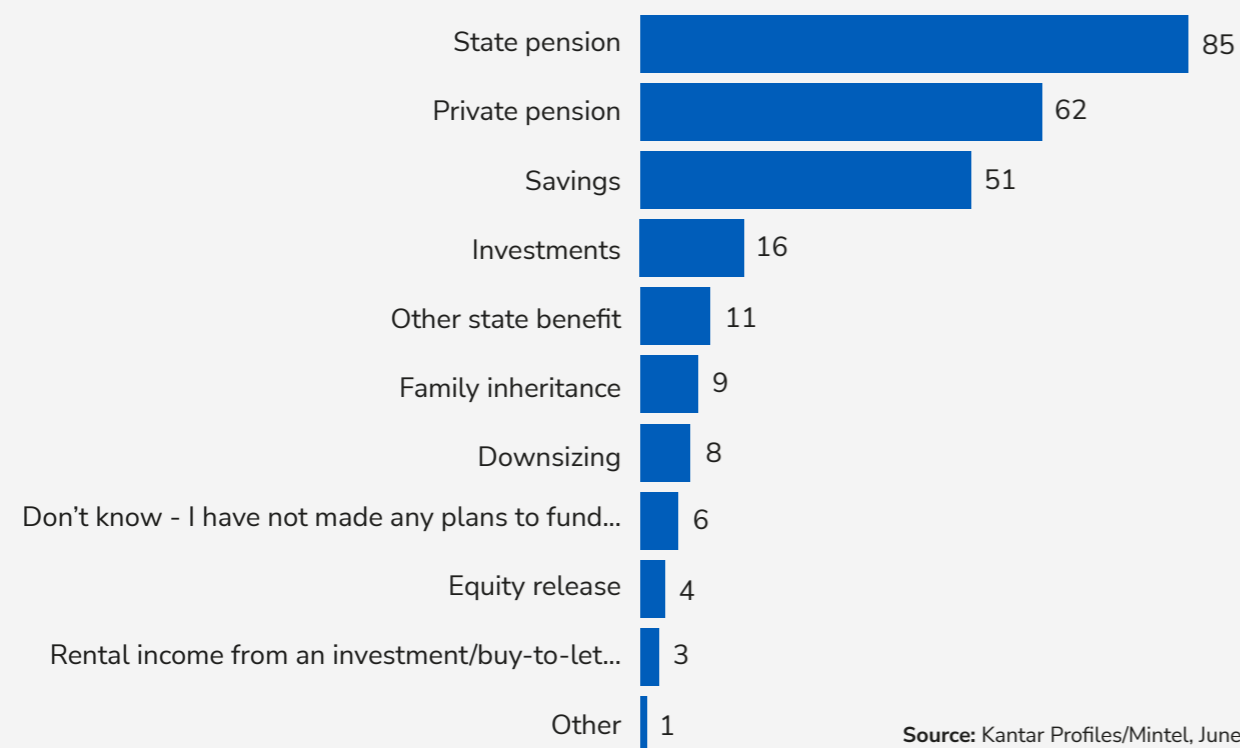


## How are clients funding comfortable retirements?

This graph illustrates the main sources of income people expect to rely on to fund a comfortable retirement. The data shows a strong dependence on the State Pension and private pensions, with savings also playing a significant role. In contrast, fewer people expect to rely on investments,

downsizing, or property-based solutions such as equity release, despite housing often being their largest asset. This highlights a common gap between retirement expectations and available resources, underlining the importance of holistic later-life financial planning.

### Which of the following are you using/do you expect to use to fund your retirement? (% of respondents)



Source: Kantar Profiles/Mintel, June 2024

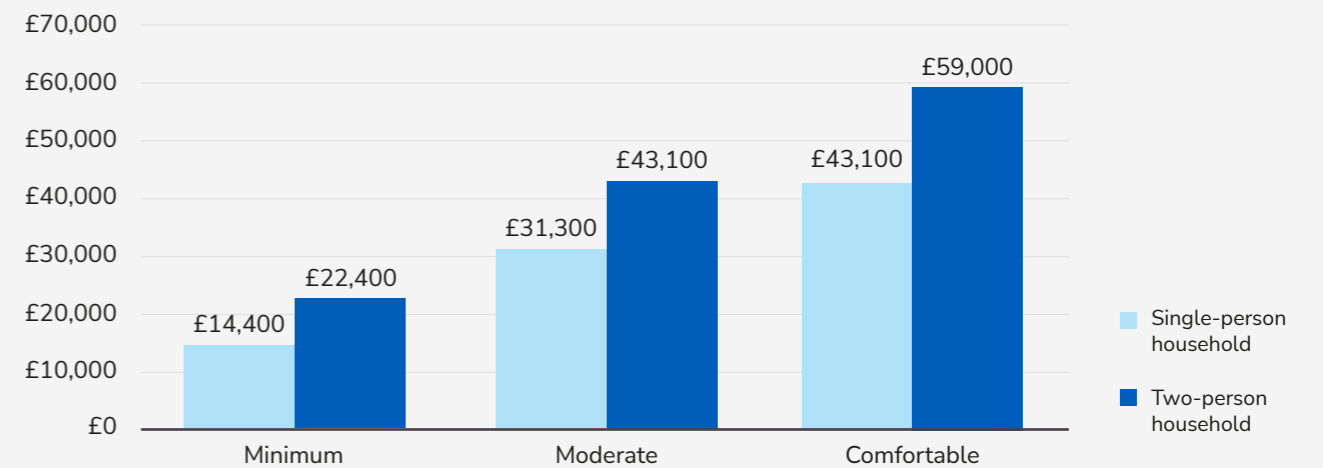
## How much should clients save for the retirement lifestyle they desire?

This graph illustrates the estimated annual income required to support different retirement lifestyles, based on whether the household is made up of one or two people. The figures show a significant increase in income needed to move from a minimum to a moderate or comfortable standard of living, particularly for single-person households.

For advisers, this highlights how easily retirement income expectations can exceed what state and private pensions alone may provide, reinforcing the need to consider all available assets - including property - as part of later-life financial planning.

### Retirement income annual targets

**Which?**



“

**Advisers must take a holistic view of all a client's assets, deciding what role each asset should play and managing the trade-offs between income needs, inheritance goals and care costs.**

”

Cecila Furner, Distribution Director, Retail Retirement at L&G

# Types of lifetime mortgages

Your client can choose between our different lifetime mortgage products:

Type of lifetime mortgage	Who are they good for?	Key details	Do we offer it?
<a href="#">Interest Roll Up</a> →	It suits people who want flexibility but don't want to make monthly interest payments.	<ul style="list-style-type: none"> <li>Your clients can draw down their money as one big tax-free lump sum or several smaller ones, without having to pay interest every month.</li> <li>The interest is added to their loan, which means the amount they owe can grow quickly.</li> </ul>	✓
<a href="#">Optional Payment</a> →	It suits people who want flexibility and are happy to make monthly interest payments, with the option to stop them.	<ul style="list-style-type: none"> <li>Your clients can draw down their money as one big tax-free lump sum or several smaller ones, while paying some or all of the monthly interest on their loan.</li> <li>Your client can stop making payments whenever they choose but once stopped they can't be restarted.</li> <li>Any unpaid interest is added to your client's loan so depending on how much they pay and for how long, the amount they owe could grow quickly.</li> </ul>	✓
<a href="#">Payment Term</a> →	It also suits those who want to make interest repayments for an agreed term, for example until retirement.	<ul style="list-style-type: none"> <li>It's for people aged 50 and over, and gives your client a tax-free lump sum.</li> <li>Your client makes full monthly interest payments for a pre-agreed period of time which can run up to the oldest borrower's 75th birthday. After that the interest is added to the loan.</li> <li>Paying the interest reduces the overall cost of the loan but if your client doesn't keep up the monthly payments, as a last resort their home could be repossessed.</li> </ul>	✓

Thanks to you, more clients can embrace the future with confidence

Visit our website for more information about our products, including key documents, calculators, product comparisons and more.

[Visit L&G's adviser site](#)



# Home Truths

## Debunking common misconceptions about equity release

Despite growing consumer interest in later-life lending, equity release still attracts a number of persistent myths and misconceptions. Many homeowners worry that it's too expensive, that they could be forced out of their home, that they won't be able to move, or that they'll leave nothing for their family.

As an adviser, being able to challenge these assumptions with clear, factual explanations of the product features and protections is central to delivering suitable, compliant advice.

This section explores some of the most frequently heard concerns and sets out the key features of lifetime mortgages that help protect clients' interests.

“

**You must have the right to remain in your property for life or until you need to move into long-term care, provided the property remains your main residence and you abide by the terms and conditions of your contract.**

”

Equity Release Council

### Myth 1

“

**It's too expensive**

”

**Fact:** Interest rates must be fixed or capped for the life of the loan, providing certainty for clients by ensuring they know from the outset how interest will be applied and preventing unexpected increases in borrowing costs over time.

### Myth 2

“

**I could be forced out of my home**

”

**Fact:** Clients cannot be forced out of their home, as lifetime mortgages provide a guaranteed right to remain in the property for life\*, or until they move into long-term care, provided the property remains their main residence and the terms of the contract are met.

### Myth 3

“

**I won't be able to move**

”

**Fact:** Lifetime mortgages do not prevent clients from moving home, as they retain the right to transfer the loan to a new property, provided the new property meets the lender's criteria.

### Myth 4

“

**I won't be able to leave my family anything**

”

**Fact:** Clients have the right to make penalty-free payments, subject to lending criteria, enabling them to manage the balance over time and potentially preserve some of their property value for beneficiaries\*\*.

### Myth 5

“

**I'll end up with negative equity**

”

**Fact:** Clients are protected from negative equity, as lifetime mortgages include a 'No Negative Equity' guarantee, ensuring that neither they nor their estate will ever be required to repay more than the value of the property when it is sold.

### Myth 6

“

**If I move into long term care or with relatives to help care for me, I will have to repay my loan which could have high early repayment charges attached**

”

**Fact:** Any early repayment charge will be waived by the Lender upon receipt of a medical practitioner's certificate and the terms and conditions of the loan have been met<sup>1</sup>.

\* For PTLM only, right to reside applies providing the contractual payments are made during payment term.

\*\* Legal & General offer an inheritance protection option with every lifetime mortgage

<sup>1</sup> <https://www.equityreleasecouncil.com/about/standards/>

# Setting the Foundations

Our workshop for lifetime mortgage advisers, hosted by L&G BDMs Sara Freer and Chris Nown



Book your place today



In this interview, Chris and Sara explain the thinking behind the workshop, what advisers can take from it and how it helps turn qualification into confident, practical advice.



## What is Setting the Foundations workshop all about?

Setting the Foundations was created to help advisers who had recently passed their Equity Release exam. We know how hard it is to go from taking an exam and then go in to the “real world”, and apply the knowledge to their day to day lives. The exam heavily covers the world of Equity Release in the past and we realised advisers needed to know how to apply their studies practically to current day situations.

Although we started out thinking this would be for new advisers it has since attracted advisers that took their exam some time ago but have not yet had the chance to advise in this area yet and also those advisers that have been in the market for some time but wanted a refresh. We have also had compliance team members attend to understand what is being trained to advisers and if it fits with their advice model.

## What can advisers expect to gain from attending these workshops?

We constantly update the content of the workshop based on feedback and research to ensure that it is relevant. We cover a variety of subjects that takes the adviser on a journey from start to finish of a lifetime mortgage. We cover subjects such as the current market, lead generation, fact finding, vulnerabilities, and 3 parties involved including the Equity Release Council and conveyancers.

## Can you give an example of how advisers have put into practice what they’ve learned at the workshops?

Most advisers tend to go away with at least one or two actions that they want to implement in their daily work. Often a new process - possibly the timeline or practical ideas on lead generation - building professional connections or how to make themselves more accessible to vulnerable customers.



“

We cover subjects such as the current market, lead generation, fact finding, vulnerabilities, and 3 parties involved including the Equity Release Council and conveyancers.

”

Sara Freer

## What are some common challenges new advisers face when starting out in equity release?

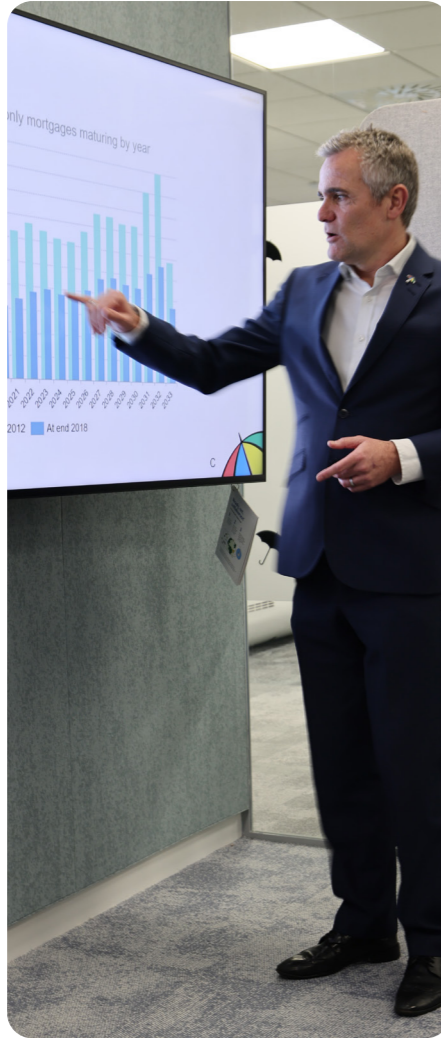
The product landscape can be complicated, often lenders will have a range of different lifetime mortgage products all with slightly different product features for advisers to understand and get to grips with.

There are many technical aspects associated with a lifetime mortgage, advisers need to be able to explain complex issues in plain English without getting too technical.

Advisers also need to handle emotional factors such as health issues, family influences, vulnerabilities and overcoming some of the myths associate to taking on a lifetime mortgage.

Some advisers find the compliance paperwork difficult to manage. The advice process is heavily documented requiring key facts, suitability reports, affordability assessments and making sure the advice is Equity Release Council compliant.

Finding and generating leads can sometimes be a challenge. Unlike traditional mortgage advice, equity release has a smaller market, finding new prospects can be slow and lead generation partnerships can take time to develop.



## What are the key skills or knowledge areas advisers need to develop early on, that the Setting the Foundations workshops help with?

“ I think the key areas are understanding about vulnerability and the time needed to go through the process with customers and then learning about all the different lenders criteria and products so they know where they can place cases, focusing on property risk rather than credit risk. ”

Also having a deeper understanding of the legal process will really help an adviser communicate better with their clients. The legal process can sometime be complex with hurdles to overcome. The legal process can sometimes involve multiple parties. Communication gaps between the client, the lender and their solicitor can cause confusion or delays. Sometimes new advisers can struggle to manage the process proactively and set expectations around timescales.

“ There are many technical aspects associated with a lifetime mortgage, advisers need to be able to explain complex issues in plain English. ”

” Chris Nown

## Watch Sara and Chris Introduce Setting the Foundations



Get a clear overview of how this workshop supports advisers in building confidence and capability in the lifetime mortgage market.

Watch here



# Putting the Foundations into Practice

How Setting the Foundations helped Justin Ofoche find his footing as an Equity Release Adviser

[Book your place today](#)



## Can you tell us a bit about your background and journey to becoming an adviser?

Four years ago, I started a business introducing equity release customers to brokers. I realised it was a great market with good products, so I decided to go deeper into my journey and get my own advising qualifications. I've been working as a later-life lending adviser for a year now and have evolved my business into a bespoke advisory practice.

## Before attending the Setting the Foundations workshop, how confident did you feel about advising on lifetime mortgages? How has that changed?

I did the workshop when I was five months in and still relatively new at advising, it was the perfect time and it gave me the knowledge, language, insight and a lot of confidence. Before the workshop I had the knowledge in theory but lacked the confidence to put everything into practice, and the workshop helped me take the first step to work with real-world clients.

## What specific skills or knowledge did you gain that you now use in your day-to-day work?



**I learned about vulnerability training. We also looked at properties and how different criterias can affect an application. It's still something that helps me today. I took a lot away from it.**



## Did Setting the Foundations help you feel more prepared for real client conversations, and if so how?

I had a client who had an interest only mortgage and a second charge and was really struggling and wanted to retain ownership of his property. Through the workshop I learned about how to look for medically enhanced rates, asked extra questions about his health and lifestyle and placed him on a medically enhanced rate, and by the end I really did feel like a hero.

## Can you give an example of how you've put into practice what you've learned at the workshops?

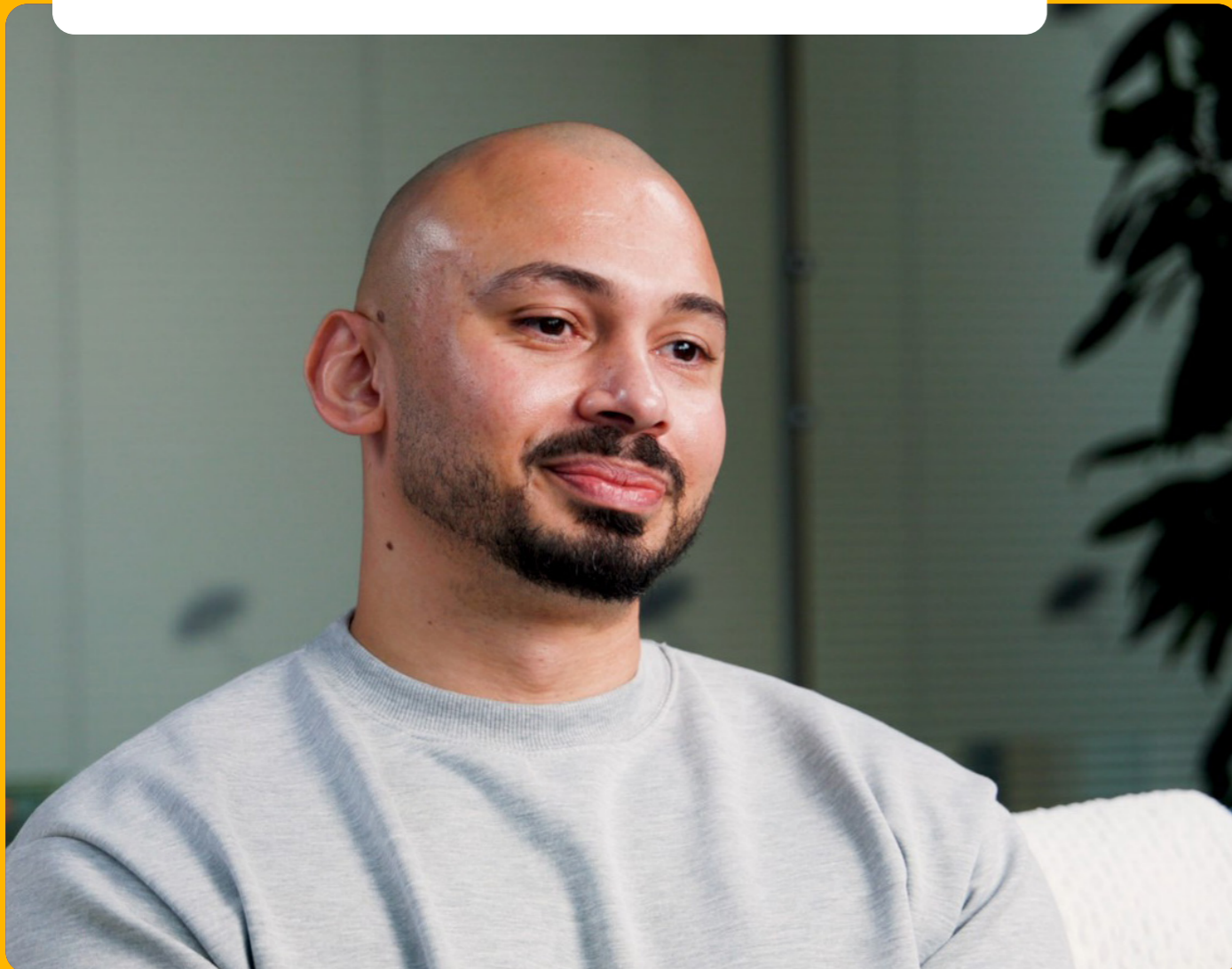
There was a lot about divorce, I've had a few clients that are going through divorce and it's a really challenging life event to navigate for anyone. Having the knowledge and knowing how to handle that vulnerability is really helpful and enabled me to let the customer know I was there for them.

What value do you see in including property in retirement planning?

“

There's a lot of information on how equity release can work for people who are later in life and for a lot of homeowners, their property is their main asset. Using this asset to plan for retirement is crucial and a lot of the time they don't know they can access the cash they need and still leave an inheritance behind.

”



[Book your place today](#)



What are some of the common challenges you've faced as a new adviser starting out in equity release?

Every single client is different, they've got different stories and different situations. You need to navigate different personalities, scenarios and life stages and it's a challenge at the start, to understand how to gather the right kind of information to know your client properly.

What misconceptions do you often hear about equity release advice?

There are a lot of myths about equity release, the main one is that you'll lose your home or you will be in a position at the end where your beneficiaries or loved ones will owe money to the lender. They need advice in order to know the truth and be educated on the changes in the market, as there are actually lots of safeguards in place now.

How valuable was it to connect with other newly qualified advisers during the Setting the Foundations workshops?

It was really good to meet new advisers who were new to the industry. Working remotely, you do feel alone and you need support, so to be around new advisers helps you feel less alone. It's also really good to network and rub shoulders with people who have the knowledge and want to share it.

Would you say attending these workshops accelerated your confidence as a qualified adviser?

The sessions have really helped with my confidence as an adviser. I have a saying 'confidence is competence' and the workshops really do help you become a competent adviser.

What would you say to someone who's on the fence about attending these workshops?

Join in, Jump in. What have you got to lose. There's a lot of information you can take from this. Even if there's stuff you already know, there'll be things you can take away that will really help you.

If you could sum up the biggest benefit in one sentence, what would it be?

The workshop sets the foundation from the start and helps you learn a wide variety of skills and knowledge.

Join a Setting the Foundations workshop

Book Now

# Building Your Business Through Professional Connections

A recorded webinar for lifetime mortgage advisers, hosted by L&G Market Development Manager Jordan Clark



[Watch on demand](#)



In our recorded webinar, Jordan shows how building the right professional connections can help advisers grow their business and deliver better client outcomes.

**In today's complex later-life market, advisers have a unique opportunity to deliver better outcomes for clients by breaking down silos and collaborating with other professionals.**

Divorce solicitors, care providers, accountants, and estate planners all work with clients facing significant life changes - yet many of these professionals cannot advise on financial solutions.

This creates an advice gap that later-life mortgage specialists are perfectly positioned to fill.

Consider the solicitor managing a divorce where one party wants to remain in the family home, or the care planner helping a client adapt their property for long-term living. Without a later life adviser, the only perceived option may be selling the home.

By partnering with advisers, these professionals can offer holistic solutions that protect client interests, strengthen trust, and enhance their own service proposition.

For advisers, the first step is mindset. Recognise the value you bring - not just as a mortgage expert, but as a problem-solver who can transform lives. Building a network starts with confidence in your role and a proactive approach.

**Gain valuable insights, connect with industry experts, and take your knowledge to the next level by watching our on-demand webinar.**

#### Who should attend?

This session is perfect for:

- New later-life advisers looking to build their presence
- Experienced advisers aiming to expand their professional network
- Anyone wanting to position themselves as a trusted specialist and increase referrals

## 5 tips on how you can take action



**Host seminars or webinars** to educate local professionals on later-life lending solutions.



**Create thought-leadership content** — articles, newsletters, or podcasts that showcase your expertise.



**Attend and organise networking events** to connect with solicitors, accountants, and care providers.



**Leverage social media** to share insights and build visibility.



**Develop referral partnerships** that benefit both parties and their clients.

**Unlock new opportunities. Create stronger partnerships. Deliver better client outcomes.**

In this webinar, you'll learn how to:

- Build powerful referral relationships that grow your business
- Take consistent, confidence-building steps to expand your network
- Turn real-world scenarios into opportunities to support clients earlier and more effectively

[Watch on demand](#) →

# Next steps

## Join a Setting the Foundations workshop

If you're newly qualified and want to turn theory into confident, real-world advice, or you're more experienced and want to stay up to date, Setting the Foundations is designed to support you.

The workshop brings together experienced practitioners, practical scenarios and honest discussions to help you establish strong habits, sound judgement and a client-first approach from day one.

Find out more and book your place on a Setting the Foundations workshop.

[Book Now](#)

## Watch our recorded webinar on Building Professional Connections

If you're looking for an in-depth understanding of how to build and sustain professional connections, our recorded webinar offers practical insight for advisers.

[Watch here](#)

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LG008225 06/26

