

Deliver your clients greater flexibility with an **Optional Payment Lifetime Mortgage**



Interview with Louise Baker,
mortgage broker at My Sort of Loan

We caught up with experienced mortgage broker, Louise Baker from My Sort of Loan. We discussed her journey with equity release and how products like the Optional Payment Lifetime Mortgage are giving her clients more flexibility. Louise shared her motivations for getting qualified, convincing her director to follow suit, and carving out a successful equity release division within the business.



Q What's your background and how did you enter the later life lending space?

A Over the course of my career, I've been lucky enough to work within great financial institutions. I started working at the Woolwich when I was 18 and absolutely loved it. I continued with my exams, gaining invaluable experience across several areas including mortgages, investments, pensions, wills and insurance.

When the pandemic hit, like many other businesses, we knew we needed to diversify our services. I'd seen first-hand how equity release had served real purpose to friends and family. My parents and neighbour had both had such positive experiences, which led me to research the products in more detail and get my qualifications.

Within a few months, we started seeing more and more of our clients meet the criteria for lifetime mortgages, and this arm of the businesses grew. My boss was so encouraged he decided to get qualified, and together, we've been able to advise on a much broader set of equity release products. It's not going to be right for every client, but for many of our customers it gives them a whole new outlook on their finances.

Q How has equity release evolved and what advice would you give to other advisers looking to get qualified?

A As an industry, it's evolved significantly. Knowing that the Equity Release Council (ERC) is there to regulate these types of products is huge. Not only does it give the customer peace of mind, but for advisers like me entering the market, we're confident we can offer fit-for-purpose solutions without the risk of the client ever losing their home.

For a good few months, I was the only person in the office taking on equity release cases. The support available through lending platforms, adviser forums and the lenders themselves has meant I've always had somewhere to go for case support.

When I first started doing business with L&G I attended one of the roadshow events local to my area. I got to meet my account manager and representatives from trade bodies like the ERC. These events are great for networking and help advisers at all levels learn about new processes and standards within the market.

Q Why are products like Optional Payment Lifetime Mortgages (OPLM) growing in popularity?

A One of the best features of the OPLM is that the interest rates are fixed for life. For a lot of people, their mortgage repayments can be their biggest outgoing. Being able to reassure the client it's fixed is brilliant, particularly in times of uncertainty.

I recently had a client whose financial circumstances took a sudden turn when her husband fell ill. She was able to pause the monthly interest repayments whilst waiting for him to get back on his feet, without any penalty charge.

I don't think I've had anyone who hasn't gone down some sort of flexibility route with regards to their payments. Clients have the option to pay as little as £25 each month or 100% of the interest. And most importantly, they know their home will remain theirs until the last person dies or moves into care.

Q Are there certain types of customers who are more likely to choose an OPLM over another type of later life mortgage?

A Flexibility to repay some or all the interest is one of the biggest benefits for many people opting to go with an OPLM. Creating a profile for each customer enables us to assess which products are best matched to their needs. We look at their current income and expenditure, and of course look at what other assets they have available.

Many of our Equity Release clients are choosing the product as a vehicle to repay their first charge mortgage, pay off credit cards and consolidate debt. By doing so with a lifetime mortgage, their biggest asset is safe. Thanks to the product literature available from lenders, I can give my clients clear illustrations of how the product works over time.



“With products offering greater flexibility for the client, it’s a no brainer to get qualified.”

Q What would you say to other advisers looking to get into the later life lending market?

A Oh my gosh, I'd encourage everyone to do it. I'd love to be able to grow this part of our business. We've seen first-hand how impactful the right advice combined with the right products can make people feel financially secure when they reach a certain age.

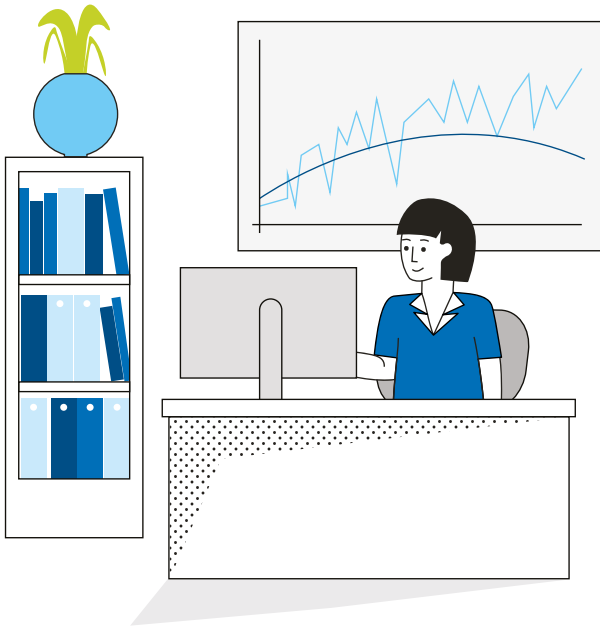
The fact that people are so thankful at the end of the process makes it all the more worthwhile. This is an industry that's not without its challenges. Shifting past perceptions and educating people who never knew these types of products existed is no easy feat. Yet, with products offering greater flexibility for the client, it's a no brainer to get qualified.

A lifetime mortgage is for homeowners aged 55 and over. Its a loan secured against your home. Legal & General's Optional Payment Lifetime Mortgage enables your client to pay some or all of the monthly interest by Direct Debit.

The interest rate is fixed for life meaning we'll never increase their monthly payment. Six missed interest payments are allowed in the product term.

A lifetime mortgage is usually repaid when the last remaining borrower dies or moves into long-term care.

Your client should think carefully before securing debt against their home. There may be cheaper ways to borrow money.



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Find out about our OPLM

We have a wealth of information available on our website. From product summaries and key documentation, to technical case studies to support your client conversations.

Visit: legalandgeneral.com/adviser/oplm

Alternatively, get in touch with your dedicated Account Manager or speak to our sales support team on

0330 048 444

Option 2 Option 2

We may record and monitor calls

adviser.support@landghomefinance.com

If you're contacting us by email please remember not to send any personal, financial or banking information – email is not a secure method of communication.