

# Lifetime mortgages: the 4 clients to consider



The relationship between a client and their financial adviser is one that could often last many years – even decades. You may have been advising your client since the purchase of their first house, seen them welcome multiple children into their family, or advised them through a big career move.

Each client is unique and has their own individual goals in retirement. However, with people living longer than ever before, some may find that their funds might limit them from living a more colourful retirement.

A lifetime mortgage could help these clients release a tax-free cash sum to do more of the things they love – you might already know them.



## The wedding planners

It's often called "the happiest day of your life" – but it can also be the most expensive. In 2019, the average estimated wedding cost was a daunting £30,000. To help their children start this new chapter of life with as little stress as possible, parents could take out a lifetime mortgage to help finance the big day. The money released could help book a dream venue, buy the perfect dress, or put on a reception to remember.



## The holiday makers

Retirement is a new chapter for many people, where they have the time to tick a few things off the "bucket list" that they didn't get chance to earlier in life. For many retirees, this means a well-earned holiday. In fact, it's the millennials that need to keep up; over-55s are now more likely to travel abroad solo than any other age group. A lifetime mortgage can help retirees achieve their travel goals, or just take the dream family holiday they've always talked about.



## The Bank of Mum and Dad

With house deposits in the UK now averaging at £33,127, first-time buyers need the help of Mum and Dad more than ever. In fact, more than a third (34%) of buyers rely on financial help from their families to purchase their first home. The Bank of Mum and Dad in 2019 was the 11th largest mortgage lender in the UK. Using a lifetime mortgage, your clients can release the equity they need to help family members pull together a deposit or secure lower mortgage payments. The money could also be used to help furnish their new home, or pay towards solicitors fees or removal costs.



## The silver separators

The latest figures show divorce rates are decreasing in every age group except the over 60's. And it's not cheap - the average cost of legal fees in divorce is between £17,000 and £30,000. Typically, divorce isn't something you can plan ahead for, and it can leave a lot of couples under financial pressure. Two-thirds of couples who split end up worse off, and more than a quarter resort to selling the family home. A lifetime mortgage could help relieve the financial burden and emotional strain by releasing equity. It could also mean that one party could stay in the family home and avoid stamp duty and removal costs.

Your client should be made aware that if they gift money away, the recipient may have to pay inheritance tax in the future. It's also important to remember that a lifetime mortgage creates a debt on the home. If your client has more affordable ways of borrowing available, these should be considered first.

If you'd like support with your lifetime mortgage advice business, our team of specialists are happy to help you find your way forward:  
[www.legalandgeneral.com/adviser/LTM](http://www.legalandgeneral.com/adviser/LTM)

A lifetime mortgage is a loan that's secured against your client's home.

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Q0059940 01/20 SUB000000195667

