

## **Benefits**

- You can unlock money from your home, tax-free, to help meet your needs in later life
- You'll always retain full ownership of your home and can stay in it for as long as you wish with a lifetime mortgage
- You can choose to make reduced or no monthly repayments to suit your circumstances with a lifetime mortgage
- You'll never owe more than your home's worth with a lifetime mortgage
- You may be able to remortgage your lifetime mortgage in the future to release further funds or secure a better interest rate – this isn't guaranteed and may be subject to early repayment charges

## **Drawbacks**

Your lifetime mortgage also has the following important things you should think about:

- A lifetime mortgage is a loan secured against your home and subject to compound interest, meaning the amount you owe can grow quickly
- It will reduce the value of your estate and may affect your entitlement to means-tested benefits
- It may leave you with limited or no property equity remaining
- It will reduce your financial options in the future
- It is a long-term financial product and is not designed to be fully repaid until the death or entry into long-term care of the last remaining borrower, otherwise early repayment charges may apply

## **Alternative options**

There may be options that are more suitable to your own circumstances that you should consider as an alternative to a lifetime mortgage, these might include options such as:

- Home reversion, a type of equity release product where you sell all or part of your home to a reversion company for less than market value
- Retirement interest-only mortgage
- Later life residential mortgage
- Interest-payment lifetime mortgage
- Downsizing
- Unsecured lending
- Using existing assets
- Support from friends or family