

Your Lifetime Mortgage



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Your Lifetime Mortgage...

A Lifetime Mortgage is a form of equity release that allows homeowners aged 55 or older to **access the equity tied up in their property** without needing to sell or move. It provides a **tax-free lump sum** or regular payments, while you continue living in your home. The loan is typically repaid when you pass away or move into long-term care.

Lifetime Mortgages **offer flexibility** and can be tailored to your needs, whether you're looking to **fund home improvements, supplement your retirement income, or help loved ones financially.**

At HLC Mortgages, we **provide whole-of-market advice** to ensure you get the right product for your circumstances.

Why Consider a Lifetime Mortgage?

- ✓ **Tax-Free Cash:** Access a lump sum or regular payments without selling your home.
- ✓ **Stay in Your Home:** Continue living in your property while using its value.
- ✓ **No Monthly Repayments Required:** The loan and interest are usually repaid when you sell your home.
- ✓ **Flexible Options:** Choose to make voluntary repayments or let the interest roll up.

How We Help...

- ✓ **Whole-of-market access for the best Lifetime Mortgage products.**
- ✓ **Personalised advice based on your goals and needs.**
- ✓ **Transparent discussions about costs and long-term impacts.**
- ✓ **Complete support with paperwork and lender negotiations.**

Lifetime Mortgage FAQ's

How does a Lifetime Mortgage work?

You borrow against the value of your home, either as a lump sum or in smaller payments. The loan, plus interest, is repaid when your home is sold (usually after you pass away or move into long-term care).



Are there any monthly repayments?

No repayments are typically required, though some products allow voluntary payments to help reduce the interest.



How much can I borrow with a Lifetime Mortgage?

The amount depends on your age, the value of your property, and the specific lender. Generally, older clients can borrow a higher percentage of their property's value.



What can I use the money for?

The money can be used for any purpose, including home improvements, paying off debts, gifting to family, or supplementing your retirement income.



Will I still own my home?

Yes, you retain full ownership of your home with a Lifetime Mortgage.



What are the potential risks or downsides?

Lifetime Mortgages can reduce the inheritance you leave behind and may affect your entitlement to means-tested benefits. We'll help you explore these considerations in detail.



What happens to the debt if house prices fall?

Most Lifetime Mortgages come with a 'no negative equity guarantee', meaning you'll never owe more than the value of your home.



Can I still move home in the future?

Yes, many Lifetime Mortgages are portable, allowing you to move to another property (subject to lender approval).



**Words that
don't make
any sense.**

(Glossary)



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A**Arrangement Fee:**

An Arrangement is a one-off fee that can be payable to the mortgage lender upon application.

B**Budget:**

Knowing your budget is vitally important when starting your search, this includes understanding your borrowing potential as well as what the monthly outgoings are going to look like.

C**Credit Score:**

Check your credit score, as it affects your eligibility for mortgages and the interest rates you might secure.

D**Deposit:**

Save for a deposit, typically at least 5% of the property's value, but larger deposits can often secure better mortgage rates.

E**Early Repayment Charges:**

A fee charged by mortgage lenders if the borrower pays off their mortgage early or exceeds overpayment limits.

F**Fixed Rate Mortgage:**

The interest rate you are charged is fixed for a designated period of time and therefore avoids the risk of changes in the Bank of England rate.

G**Green Mortgage:**

Some mortgage lenders will often give borrowers preferential terms or rates if they can demonstrate the energy efficiency of their property.

H**Homebuyers Survey:**

A type of property survey available to assess the condition of the property.

I**Interest Rates:**

Each mortgage lender will have different interest rates and this will vary depending upon your level of deposit.

J**Joint Borrower Sole Proprietor:**

A mortgage type available to boost affordability, where a friend/family member's income can be used for affordability purposes despite them not going on the property title.

L**Loan to Value:**

The ratio of the mortgage amount to the property's value, expressed as a percentage.

M**Mortgage:**

A loan used to purchase a property, where the property serves as collateral for the loan.

N**New Build:**

Mortgage lenders will often have 'New Build' specific mortgage products.

O**Offset Mortgage:**

An offset mortgage provides a loan that will be offset against savings held within a specified account with the lender.

P**Porting:**

A Portable mortgage allows you to transfer your borrowing from one property to another if you move.

R**Remortgage:**

The process of switching to a different mortgage deal or lender.

S**Standard Variable Rate:**

The default interest rate set by a mortgage lender which borrowers would move onto after their initial benefit period.

T**Tracker Mortgage:**

A variation of a typical variable rate mortgage where the interest rates tracks a specific financial index, typically linked to the Bank of England Base Rate.

U**Underwriting:**

The lender will underwrite your mortgage application before final approval.

V**Variable Rate:**

A mortgage with an interest rate that can fluctuate, this will often either be linked to the Bank of England Base Rate or the Standard Variable Rate.

Valuation Report:

Lenders will carry out a survey to check whether the property is worth the amount you are paying for it.