north east
equity release



Everything you need to know about releasing money from your home.

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We're here to help.



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For more information or for a free, no obligation quotation,

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Hello

north east equity release

If you are reading this, you've probably already thought about how a lump sum of cash could make a difference to your life.

This guide is here to explain how equity release works and hopefully answer most of your questions.

Whatever you'd like to use the money for, an equity release mortgage lets you free up cash that's tied into the value of your home. You might be considering some home improvements or a holiday. Perhaps you would like to give your family a helping hand, pay off your standard mortgage or simply just need some extra cash to help with day to day living.



North East Equity Release is a highly experienced local mortgage brokerage based in Morpeth in the North East of England, however we can assist customers throughout the UK.

We specialise in equity release mortgages and mortgages for the over 50's, therefore as part of our advice and recommendation process we will look at whether a standard residential mortgage could be a better option for you in order to limit the impact of equity release on your estate.

We offer totally independent advice with access to the whole of the market and are proud to be a registered member of the Equity Release Council who set high standards and safeguards to protect consumers and ensure their members abide by the Council Rules and Statement of Principles in order to deliver its required customer outcomes.

If you would like to find out more, we are here to help.

Please call us on 0191 695 9493 with any questions or to obtain a free no obligation quote or to arrange a meeting in the comfort of your own home.

Our expert advice and application process is also fully available by telephone or video call.

Proud to be a Member of the Equity Release Council

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What is Equity Release



An Introduction to Lifetime Mortgages

In simple terms, it is a way of releasing money from the value held in your home. “Equity” is the difference between the value of your home and any mortgage you might owe. Equity release can give you access to some of this money, which would otherwise stay tied into the value of your property.

The most common form of equity release is a Lifetime Mortgage (also referred to as an Equity Release Mortgage) which is a loan secured against your home.

This means you will continue to own your home and there is no requirement to make any monthly repayments (although you may if you wish) because the amount you release plus the interest is repaid when your property is sold as you move into long term care or pass away.

You can choose to release this money as an initial tax-free cash lump sum or in smaller tax-free amounts as and when needed.

By releasing a portion of the equity in your home, you’ll have money to spend on almost anything you wish – from home improvements or holidays to giving your family a helping hand.

If you are age 55 or over and a homeowner you may be eligible for equity release.

Why has Equity Release became so popular?

Property prices may have fluctuated over the years, but it's still likely that your home is your biggest asset and may be worth considerably more than you first paid for it.

On average, UK house prices have increased by 2.2% in the last 12 months to May 2024*. This could mean that you have a sum of money locked in to the value of your home that is more than your savings and income.

So, with many people living longer, releasing equity from your property can allow you to fund future plans and enjoy the retirement you deserve.



The Benefits

You will continue to own your home and may benefit from future rises in its value.

You can relax knowing you'll never pass on debt to your estate.

You can add an inheritance protection guarantee.

You can still move home in the future subject to the lender's criteria.

You can benefit from lifetime fixed interest rates.

Plans are flexible to suit your needs.

You can service the interest or make capital overpayments subject to the lender's criteria.

You can arrange a drawdown facility for future use.

*Source: UK House Price Index May 24, published 17th July 2024

Popular reasons for Equity Release



Repay an Interest Only Mortgage

Many homeowners with interest only mortgages are finding themselves coming to the end of the mortgage term with no way of repaying the outstanding capital.

Choose a new loan with no monthly repayments or options to continue to service the interest or even make capital repayments.

Buy a New Home

Downsizing to a more suitable home to enjoy your retirement doesn't always mean a downsize in the cost of the property.

Give yourself that extra buying power to help you buy the home of your retirement dreams.

Top up your Pension Income

It is true, people are living longer and for many this this means their pensions aren't able to provide them with the level of income they need over the length of their retirement.

Choose from an initial cash lump sum or a drawdown facility to use on an as and when basis.

Home Improvements

From essential repairs to a new conservatory, landscaping the garden or a new kitchen.

Make the improvements you want so you can sit back, relax and enjoy your retirement in the comfort of your own home.

Popular reasons for Equity Release

Holiday / Motor Home / New Car

Take that holiday of a lifetime which you've always dreamt of, buy a new car or maybe a motorhome or caravan to make the most of your retirement.

Give the Family a Helping Hand

Help your children or grandchildren with the cost of their first car, a deposit for a new home, school fees or just general financial support.

Gifting the money while you are still around to enjoy seeing them benefit from the money.

Later Life Care at Home

You need some help with care and daily living but would prefer to remain in control of this and maintain your independence within the comfort of your own home rather than move into a residential care home.



What does it cost?

If you are considering releasing equity from your home you should seek independent advice, which is where we can help.

We will help you understand everything you need to know about releasing equity from you home and provide you with advice and a recommendation at no cost.

There is never any obligation to go ahead.

Only if you choose to proceed and your case completes would a fixed fee of £995 be payable on completion.

What's more, we offer the following guarantees:

- We are totally independent specialists giving you access to plans from the whole of the equity release market.
- We offer a free advice and recommendation service.
- We will look at whether a standard residential mortgage could be a better option for you.
- We recommend and encourage you to involve your family and be included in meetings and decisions.
- We are a member of the Equity Release Council, championing the highest-quality equity release advice for customers.
- We are directly authorised and regulated by the Financial Conduct Authority. (FCA Registration Number 1011889).

Frequently asked questions

Will I still own my home?

Yes, an equity release mortgage is simply a loan secured against your home, so you will continue to have 100% full ownership.

Can I move home?

Yes, you can move home at anytime.

The terms and conditions in relation to moving home vary between lenders and this will be discussed in detail with you and taken into consideration as part of our recommendation.

Will my estate be left with a debt?

No, all loans have a “no negative equity” guarantee meaning you will never owe more than the value of your home.

Am I tied in?

Yes, all equity release mortgages have early repayment charges, however the length of time these are in place for and the cost varies between providers and products.

Could I actually repay the loan in full if I wish to?

Yes, you can repay the loan in full at any time, however early repayment charges may apply.

What does “drawdown” mean?

Drawdown is a facility to allow you to access pre agreed additional funds at a later date without the need to complete a new application.



What does “roll up” mean?

Roll up is the term used to describe the effect of the interest being added to the loan each month and no monthly payments are required.

What does “serviced interest” mean?

Serviced Interest is where you make payments to the lender on a monthly basis to pay the interest and therefore the balance of your loan will never increase.

What is an “inheritance protection guarantee”

An inheritance protection guarantee is a facility whereby a certain percentage of the value your home is protected to ensure there will be an inheritance for your beneficiaries.

How long does it take to arrange?

On average an equity release mortgage takes about 6 to 8 weeks from application to the funds being in your bank account.

Do I need a solicitor?

Yes, you will need a solicitor to complete the legal paperwork. You can choose your own solicitor or we can recommend a specialist equity release solicitor to help you.

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Get in touch for free advice.

Contact us

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www.northeastequityrelease.co.uk

Office Hours

Monday-Friday: 9am-8pm
Saturday-Sunday: Closed
Out of hours service and appointments always available

Use our calculator

www.northeastequityrelease.co.uk/lifetime-mortgage-calculator

North East Equity Release is a trading style of Trusted Mortgage & Equity Release Solutions Ltd who are directly authorised and regulated by the Financial Conduct Authority. (FCA Registration Number 1011889)

A lifetime mortgage may impact your entitlement to means-tested benefits and the inheritance you may leave.