

Supporting children financially using equity release with repayment options



The client

- Mr. & Mrs. Green • Aged: 60 & 58 • Working Couple
- Current house value: £500,000 • Require: £50,000 • Repayment plan required

Mr. and Mrs. Green's Story

Mr. and Mrs. Green are exploring options to financially support their son, Jack. He is getting ready to go to university, and keen to ensure a debt-free start to his career, Mr. and Mrs. Green are determined to help him avoid the burden of student loans.

Their property is valued at £500,000 and they have asked their later life mortgage adviser for information on equity release plans. The Greens have heard about managing compound interest rates through voluntary repayments and want to explore this further, as they're not planning to retire for several years and are comfortable making regular payments while still in work.

Optional Repayment Possibilities:

Mr. and Mrs. Green are advised to make repayments while in work to reduce the interest on their loan accumulating. When they retire, they will have retained more equity in their property, which would make downsizing easier and protect any equity they wish to pass on to their children. With a Classic lifetime mortgage, the Greens can make a maximum of 12 payments, up to 10% of the initial release per year, ERC-free.

Managing Their Lifetime Mortgage with MyPure

Mr. and Mrs. Green can manage their lifetime mortgage online through the account management platform, MyPure. They can view their account balance, make one-off optional repayments, and access a bank of FAQs to support them along the lifetime mortgage journey.

Mr. and Mrs. Green are advised to take a **Classic lifetime mortgage from Pure Retirement.**



They release **£50,000** at **5.83%** interest to pay for their son's university



The couple opt to repay **£292** per month*



The Greens can pay up to **£5,000** in **ERC-free repayments** per year

For IFA use only. Specific to Pure Retirement Classic lifetime mortgage. Examples of customer scenarios only. Every case will be different. Scenario based on April 2024 figures.

*This is an example, as interest accumulates over time, the monthly payment may differ.

Thinking about Equity Release?

Pure Retirement is a specialist lifetime mortgage provider regulated by the Financial Conduct Authority and a member of the Equity Release Council. It is important to consider all options before you apply for equity release.

Pure Lifetime Mortgage Features

Guaranteed no negative equity

Optional monthly repayments

Client retains ownership of the property

Regulated by the FCA

Member of the Equity Release Council

Things To Consider

Downsizing and other forms of finance should be considered

Compound interest roll-up

Early repayment charges

Long-term care and state benefits considerations

A lifetime mortgage may impact the inheritance you leave

Figures used are for illustrative purposes only and show an example of Pure Retirements Lifetime Mortgages and how they have been previously used.



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Company registered in England and Wales No. 7240896. FCA registered number 582621.

