

Asset-Rich, Cash-Poor Couple

Gavin, aged 68 & Carmen, aged 60 / Retired & Part-time worker

Married couple, single application

Current house value: £1.1m

Requires: £99,000

Maximum loan-to-value: 26.5%, drawdown



Gavin and Carmen's Story

Gavin and Carmen have been married for five years and live together in Gavin's house, which he owns. Carmen is not on the title of deeds as she moved in after they were married.

Gavin is now retired, and while Carmen works part-time, her income isn't enough to keep up with their lifestyle. Gavin already has some credit card debt which he has, so far, managed the monthly repayments, but as he has recently retired, it's more difficult to clear the debt.

Lending Criteria Obstacles

A family friend who is a Wealth Manager suggested he speak with an Equity Release Adviser. On meeting with the adviser at their property, he noticed an excessive number of items stored, restricting access to certain rooms. The equity release adviser recommended that before a valuation takes place, they should try to clear any unnecessary clutter from the property.

Lifetime Mortgage Requirements

As his wife isn't named on the property deeds, Gavin can only obtain a lifetime mortgage as a single applicant, which is exclusively in his name. The adviser talks them through their options, as a single applicant, should Gavin die before his wife or go into long-term care then Carmen would need to leave the property for it to be sold to repay the lifetime mortgage. Alternatively, they can put the property into joint names and apply together. In this instance, they jointly decide to proceed with Gavin as a single applicant as Carmen has another property from a previous marriage that is currently rented out. Pure Retirement's Sovereign lifetime mortgage allows a married couple to submit a single application. Gavin decides to release 9% loan-to-value, allowing him the option to release more in the future.

Gavin is advised to take a **Pure Retirement Sovereign lifetime mortgage**.

Loan-to-value 9%.

He releases £99,000 (Gavin could borrow up to £291,500 if he used the full LTV available).

Gavin initially releases £30,000 to repair and modernise his property, and later draws an additional £18,000 to repay his credit card debts. The remaining £51,000 will be drawn-down evenly over 5 years to spend on holidays.

Managing His Lifetime Mortgage with MyPure

Gavin can manage his lifetime mortgage online through the account management platform, MyPure. He can make one-off optional repayments, apply for a cash release, and access a bank of FAQs to support him along the lifetime mortgage journey.

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 and to speak to a qualified Equity Release Adviser.

Pure Lifetime Mortgage Features

Guaranteed no negative equity

Optional monthly repayments

Client retains ownership of the property

Regulated by the FCA and 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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