

Case Study

Making the most of retirement: Examining the detail



Making the most of retirement is an ever-more popular reason for choosing equity release, and it's important to examine the detail, helping customers to make the most of their homes

Mr & Mrs Berkeley*
Requesting a loan of £335,000

Mr and Mrs Berkeley required a lifetime mortgage to repay their existing mortgage and to make the most of their retirement, with enough money left over to purchase a holiday home.

The initial valuation was very disappointing, meaning a loan value at £30,000 less than the requested amount. Our support team first suggested a different product with a different valuation company, but the result still did not meet the Berkeleys' requirements.

At this point, our underwriters stepped in to see what more we could do. On examining the detail, we noticed that the youngest client had a birthday in the coming month, which would increase the LTV and the loan itself to £315,000.

With a slight change in product, the Berkeleys were also eligible for our cashback offer at the time, and on top of our £2k in fee contributions, this took the loan value far closer to the required amount.

This case was a great example of lender and adviser working together to help meet customer needs, as the adviser in this case even sacrificed part of his commission in order to help the Berkeleys.

A final amount of £331,000 was proposed, with which the Berkeleys were delighted. We were able to offer with the condition to re-offer on the client's next birthday, and once this was done we were able to concentrate on getting the case to completion.

*Client names have been changed to provide anonymity

This document is for intermediary use only. No advice is being given or implied. It is crucial that customers seek regulated and independent financial advice in choosing the option which best suits their needs.