

**JUST FOR YOU LIFETIME MORTGAGE**

# CLIENT SCENARIO



## FUNDS NEEDED TO REPAY INTEREST ONLY MORTGAGE

### Tom and Anna Hill's story

**Tom and Anna are 75 and 71 respectively and live in Leeds. They currently have an interest only mortgage and the term is about to expire. They're not keen on downsizing or moving out of their area.**

Tom is still employed full time as a chef at a local restaurant while Anna is in part-time employment as a town planner at the local council. While Tom enjoys his job and wants to work for as long as his health permits, he's looking to work part time to spend more time with Anna and the family.

Both have a modest lifestyle and enjoy eating out occasionally. They don't have any real hobbies but enjoy spending time together and when they can with their eight grandchildren.

“ WE'RE COMFORTABLE AT THE MOMENT AND WANT THIS TO CONTINUE INTO RETIREMENT EVEN THOUGH WE WEREN'T EXPECTING THIS AMOUNT OF MORTGAGE DEBT AT THIS TIME IN OUR LIVES. ”

**Lifetime mortgage required:** Property worth £280,000 with £42,000 mortgage (so £238,000 in equity). Although equity release can be used to repay existing debt, it could cost more in the long term.

### How does the Just For You Lifetime Mortgage help them?

Their mortgage repayment plans haven't worked out well for them and they still owe £42,000. They've been able to service 100% of the interest while they're both working but their concern was what happens when they stop working full time. They didn't feel able to commit to monthly payments indefinitely as Anna plans to retire in a few years.

Ideally, they wanted the ability to stop paying interest at some point while maintaining the security of tenure.

### The Just For You Lifetime Mortgage helped Tom and Anna to:

- Pay off their interest only mortgage.
- Benefit from a reduction to the standard roll-up rate while they're servicing interest.
- Benefit from the flexibility of payment holidays.
- Service interest while they are still working and when they want to stop, for example when Anna retires, the loan will automatically switch to a roll-up and a higher interest rate.
- Potentially reduce their borrowing costs with medical underwriting if either of them qualify.



All numbers are illustrative only to show how the Just For You Lifetime Mortgage could be used. This is not intended to provide any form of advice or recommendation.

## FOR MORE INFORMATION

Call: **01737 233297**

Lines are open Monday to Friday, 8.30am to 5.30pm

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Or visit our website for further information: **justadviser.com**

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