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Lifetime Mortgages – a growth market with great opportunities



Steve Martell,
Director, Development,
Intermediary Sales



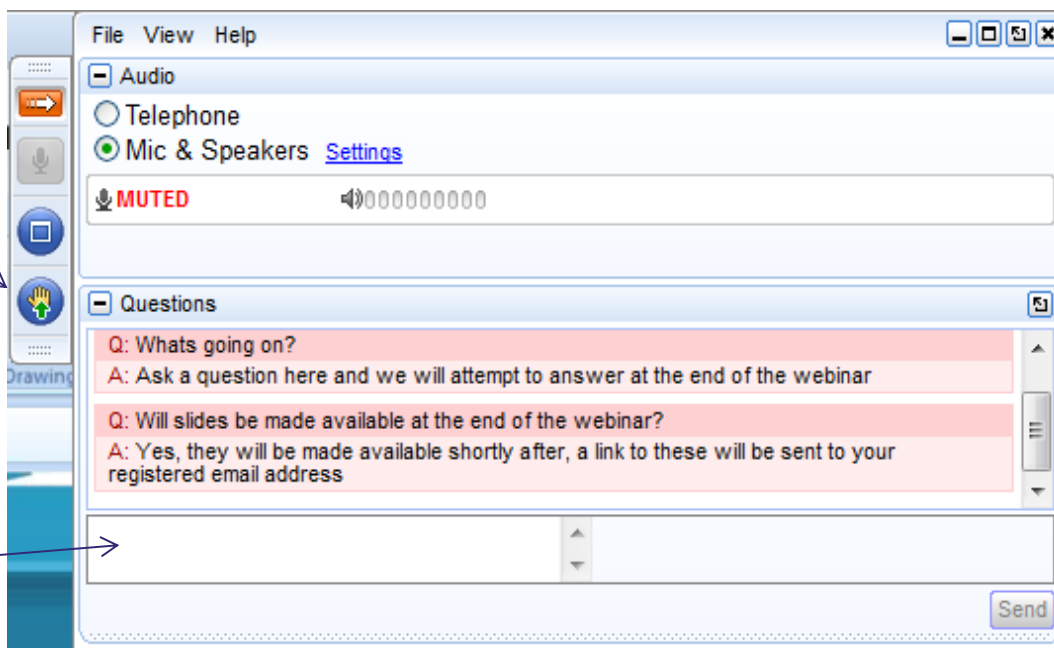
@retirementwhizz

Housekeeping

On the top right of your screen you will have a dashboard which enables you to ask questions throughout the webinar.

To raise your hand in a webinar click here.

To ask a question, please type here and we will respond to your question either in the webinar itself, or shortly thereafter.



#jrwebinar

Agenda

- Equity release market - what's going on
- Understanding and identifying clients
- Accessing the market
- Meeting client needs

Learning objectives

Investigate the growth in the equity release market and the reasons for releasing funds

Understand the different types of equity release customers to identify those who might wish to consider using equity in their homes to improve their financial position

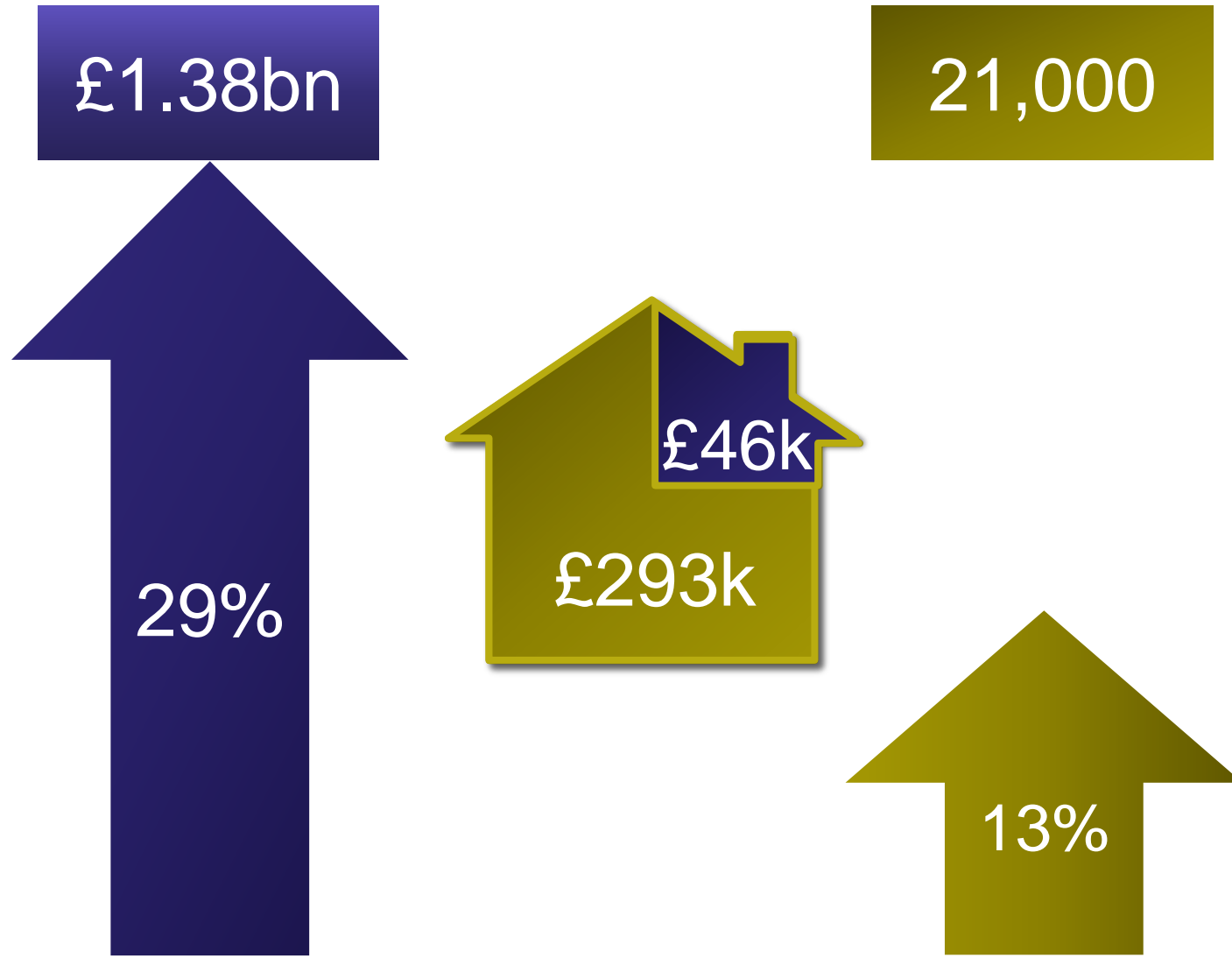
Understand Financial Intermediaries' options for accessing the equity release market

Investigate the key ways of meeting client needs in this market

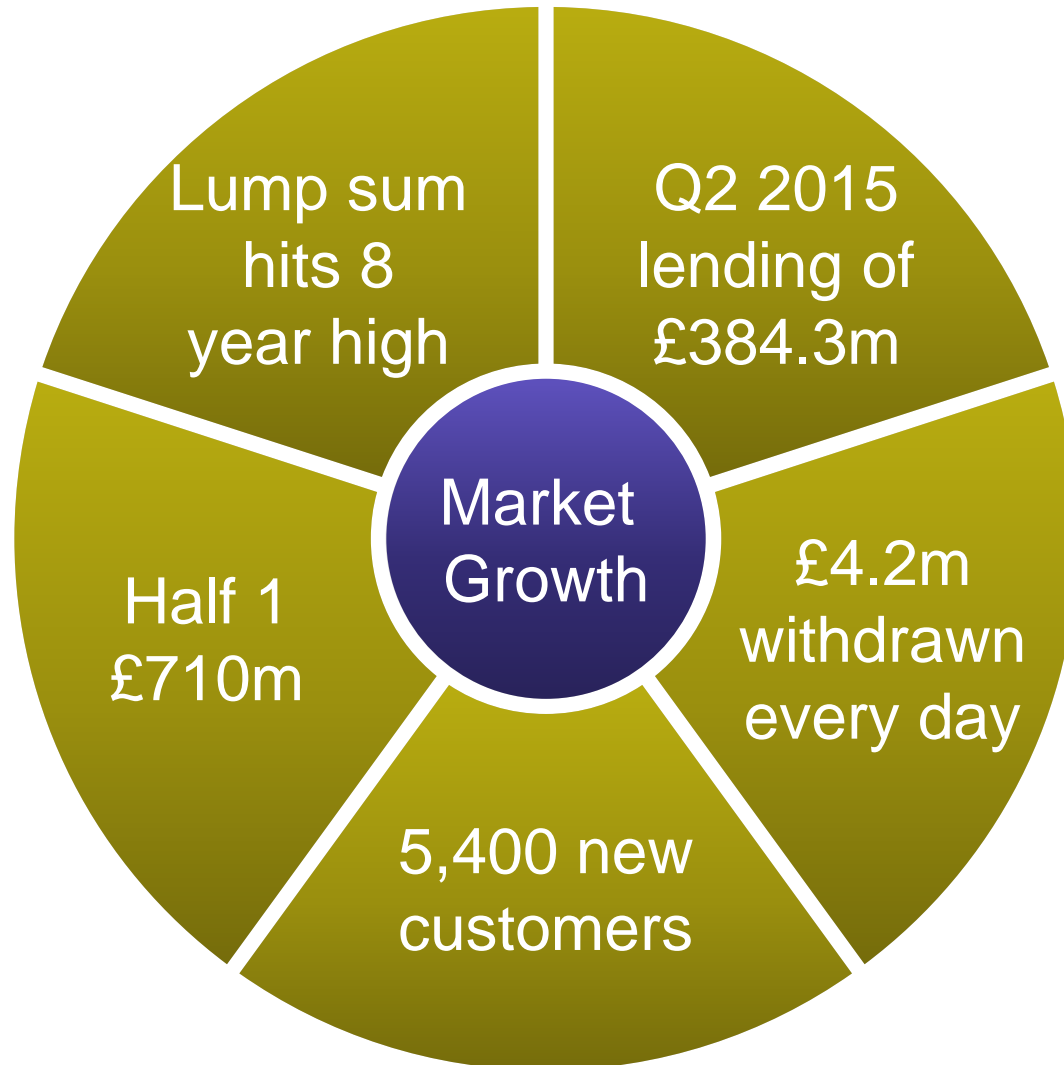
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Significant wealth in property



Significant market growth in 2015



Property wealth



£861,000,000,000

£241,080,000,000*

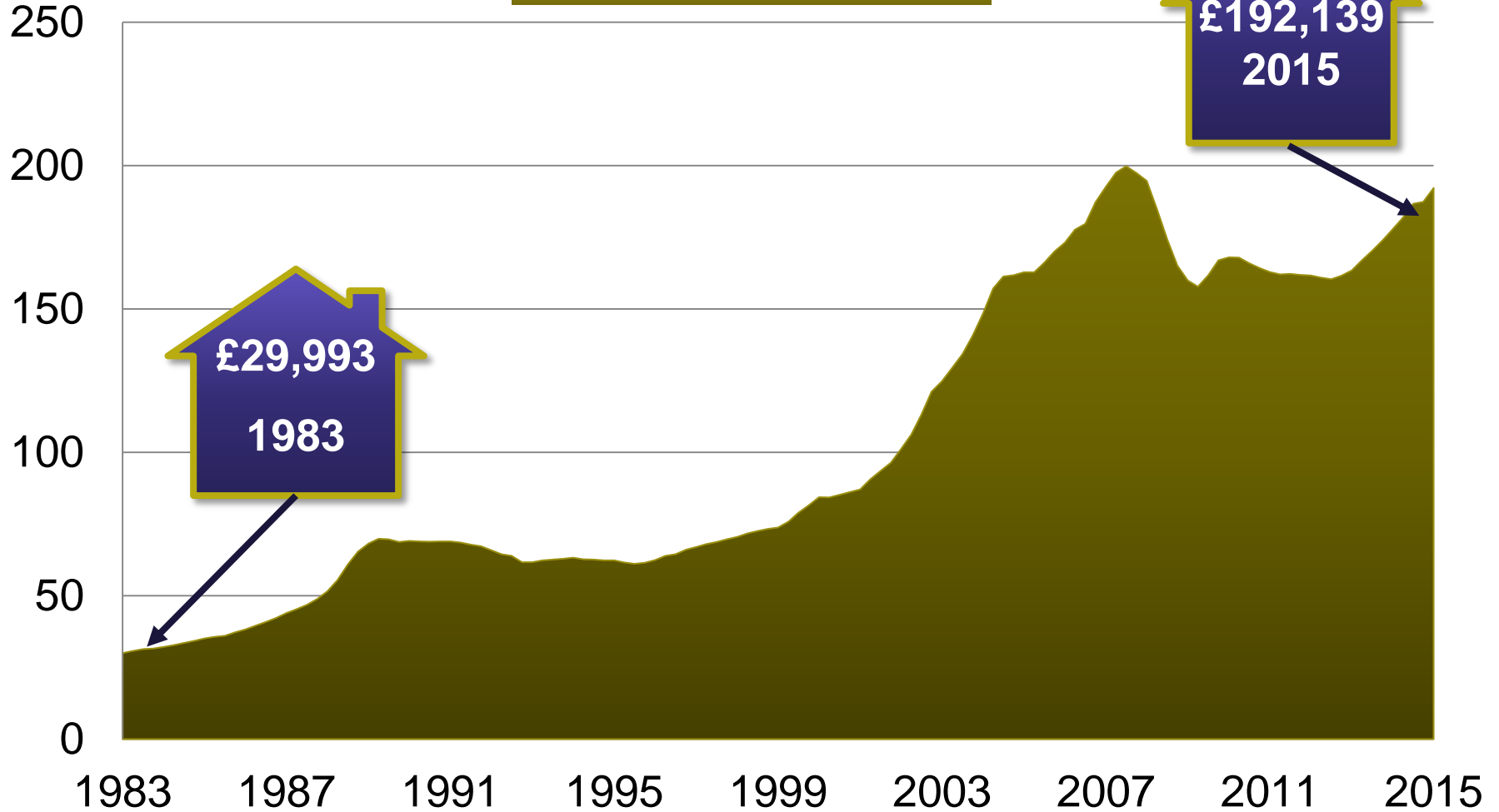
*Based on average 28% LTV.

Sources: Mindful Money, March 2015. Equity Release Council, Spring 2015.

Property – the single biggest asset?

£ '000's

Average house price



Halifax House Price Index – Mar 2015

How they use the money



Intermediary poll – reasons for joining the webinar

- **I'm interested in becoming qualified to advise in this market**
- **I'm qualified but not active in the market at present**
- **I'm an active writer of equity release business**

Please click just one option

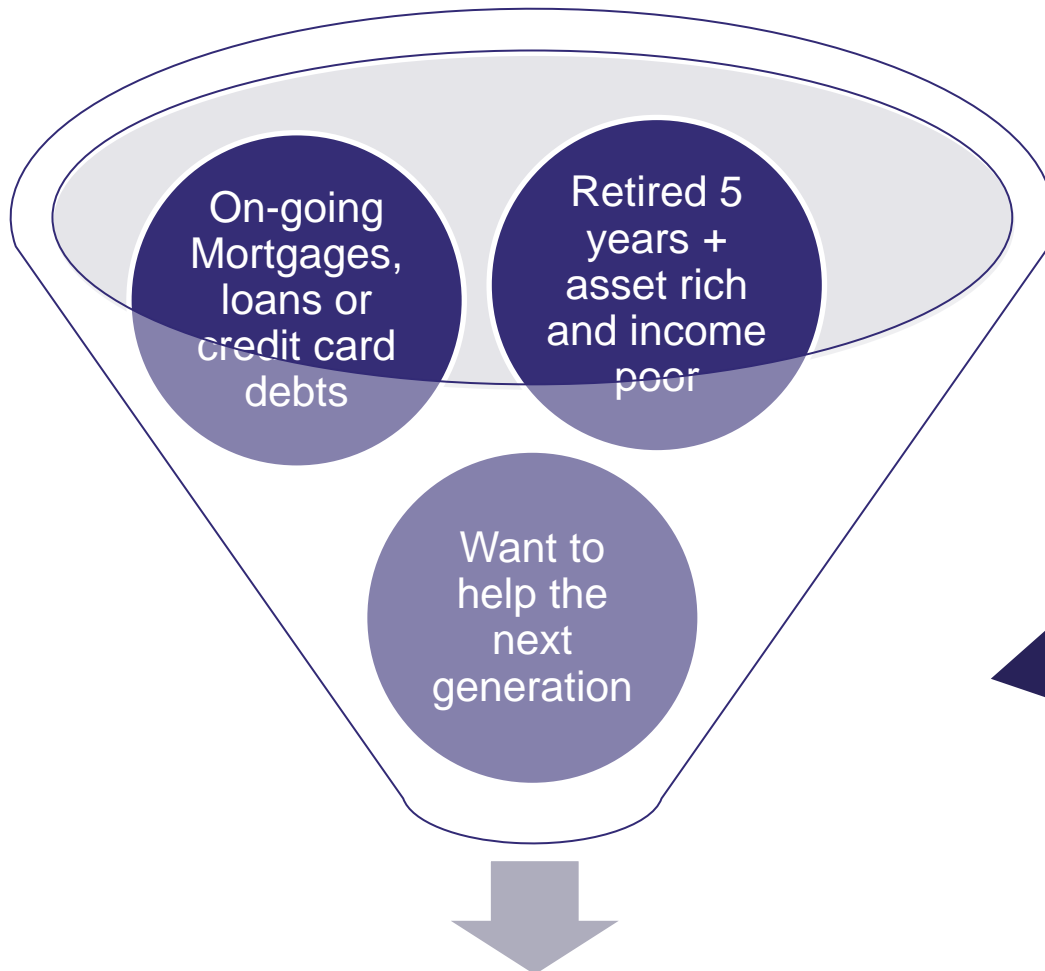
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Equity release clients



Do you recognise any of these scenarios?



Could equity release be the answer,
and should it be part of your fact find?

Building equity release into the financial planning process

A spotter's guide (available on www.justadviser.com)

The thumbnail shows the cover of a document titled 'Building equity release into the financial planning process – a spotter's guide' by justretirement. It includes a disclaimer: 'FOR FINANCIAL INTERMEDIARY USE ONLY. NOT FOR USE WITH CUSTOMERS.' and a key message: 'Financial planning is about ensuring that the right amount of money is delivered into the right hands, at the right time. It is our belief that this reveals a clear need to build domestic owner occupied residential property into the financial planning process.' Below this, there are four categories of clients: Debt repayment, Day to day living expenses, Maintaining lifestyle, and Improving lifestyle – Aspirational cases, each with a list of specific client scenarios.

1. Debt repayment
2. Day to day living expenses
3. Maintaining your lifestyle
4. Improving your lifestyle
5. Helping your family improve their lifestyle
6. Later life planning

12 Scenarios...



Mortgage shortfall
Credit cards/loans



Retired 5 years+ ?
Struggling from inflation



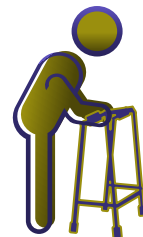
New car
Funding holidays



Holiday home
Private medical care



Property deposits
Help with attending
university
Accelerating
inheritance



Funding home
based care

Equity release client spotter's guide

A client spotter's guide

(available on www.justadviser.com)



Mr and Mrs
Mortgage Shortfall

Mrs Twilight

Mr and Mrs
Level Income

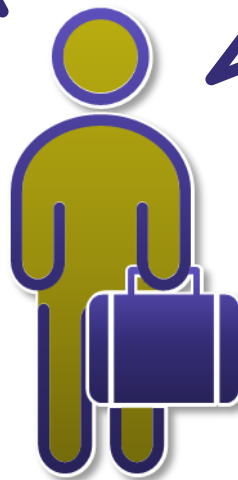
Mr Ben E Factor



All this begs two questions...

How many clients do you have who have needs such as those in the 12 situations we've just looked at that may currently be inadvertently overlooked?

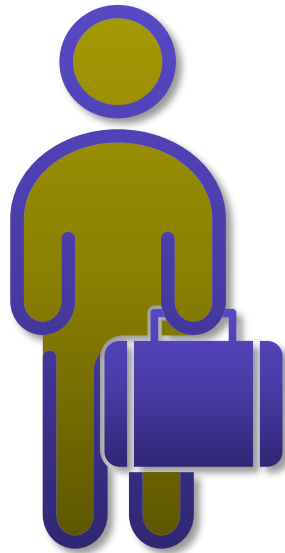
To what extent do you routinely rule in or rule out the use of equity release with all your clients?



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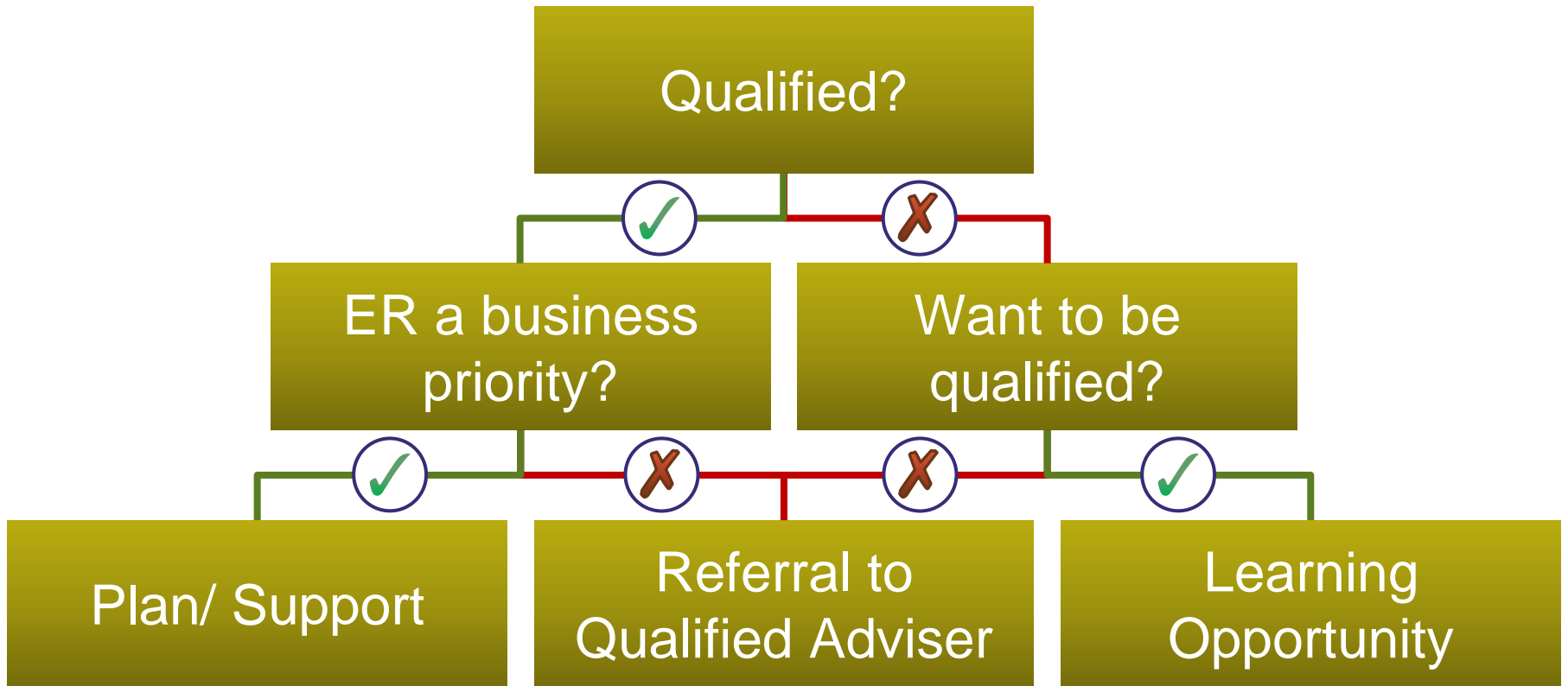
Qualifications and giving advice



Refer or
advise – don't
ignore it!

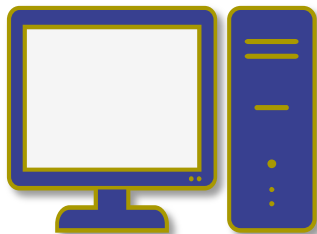


Equity release options for accessing the market



How to refer to Just Retirement Solutions

Refer by either:



submitting referral form online
www.justadviser.com/JRS referral form



by phone 01737 233412

Calls may be monitored and recorded
and call charges may apply



or email
jrsappointments@justretirement.com

What's in it for me?

- Retain your client base.
- Specialist advice for your clients.
- Excellent customer service.
- Advice without obligation.
- No cross sell guarantee.

- And....

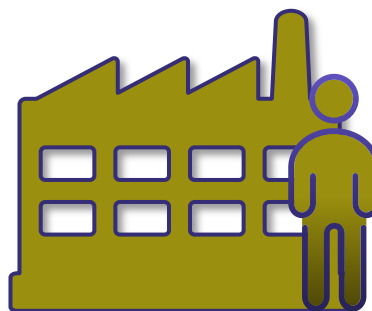
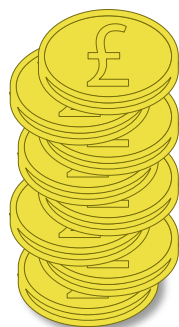
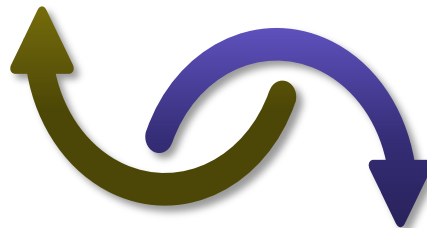
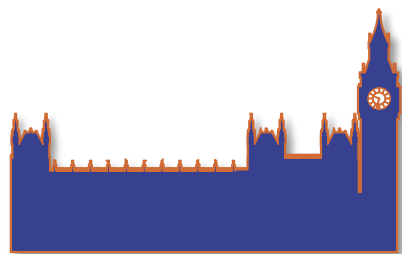
Until
31 Oct 2015
**receive MORE
Introducer
commission**

1.75%
of the initial release will
be paid as a referral
commission to you on
completion
**Minimum payment of
£750**

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- **Meeting client needs**

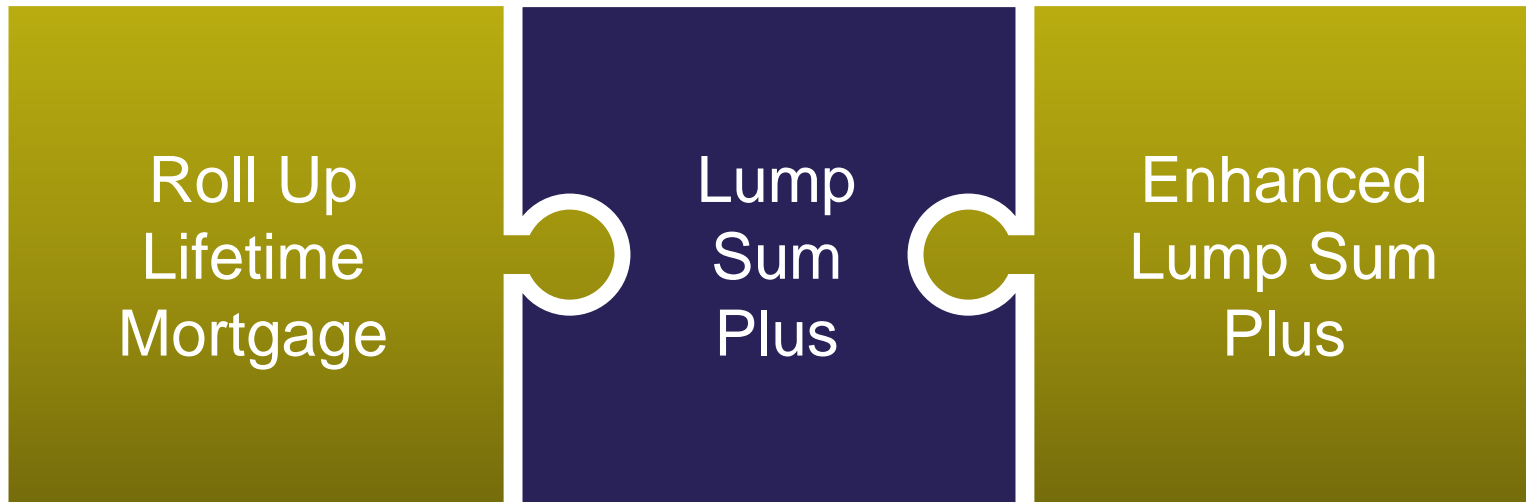
Alternatives to equity release



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Just Retirement products

Our product options



- High overall lending percentages for Lump Sum Plus Product
- Lump Sum Plus products offer attractive option for interest only mortgage repayment

Roll Up Lifetime Mortgage

- Competitive LTVs
- Minimum Property Value £70,000 (No Maximum)
- Minimum Cash Facility £15,000
- Maximum Cash Facility £600,000
- £600,000 or the maximum LTV, whichever is the lower.

Roll Up Lifetime Mortgage

Commission - 2% of initial advance subject to £600 minimum

Standard Deal terms – Alternative deals may be available

Just Retirement – drawdown facility

Maximum Cash Facility will be the lower of :

£600,000 in England (£250,000 in Scotland, Northern Ireland and Wales)

Maximum Loan to Value

Cash facility 3 x initial cash advance – subject to maximum unused facility of £200,000

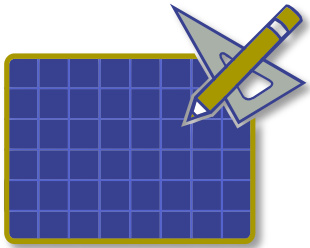
Future withdrawals - set at outset or ad hoc

No fee to drawdown, no advice needed (minimum £2,000)

Interest on future drawdown paid at the prevailing rate when drawn

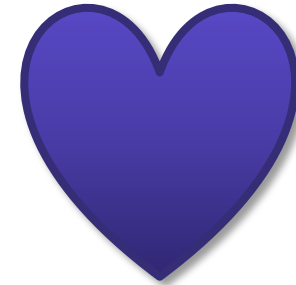
Interest begins to accrue only once funds have been drawn

Lump Sum Plus Lifetime Mortgage



Designed for those who need to release the maximum possible lump sum from their property.

Healthy lives can achieve LTV of between 29% and 54% depending on age



Enhanced LTV terms based on health and lifestyle conditions

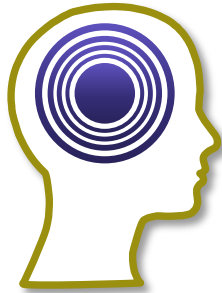
The maximum for single and joint life case is 54%. In the case of a joint lifetime mortgage the loan to value is based on the youngest/healthiest life

Roll-Up Lifetime Mortgage vs. Lump Sum Plus

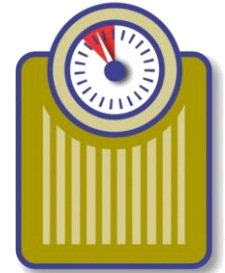
Feature	Roll-Up	Lump Sum Plus
Maximum Loan to Value	21%-47% based on client age and property value	29% and 54% based on client age, property value and if appropriate health and lifestyle conditions.
Interest Rate	5.99% AER (APR 6.2%)	6.59% AER Standard LTV's APR 6.8% 6.59%AER Enhanced LTV's APR 6.8%
Additional Borrowing	Cash facility available at outset to be drawn as needed.	Lump sum only Further advances may be requested after 6 months.
Maximum Age	None	None

The maximum for single and joint life case is 54%. In the case of a joint lifetime mortgage the loan to value is based on the youngest/healthiest life. The interest rates are standard deal terms, alternative deals may be available. Based on 70 year old Male, with a cash advance of £40,000' (at a rate of 5.99%, the APR would be 6.2%) and 'Based on 70 year old Male, with a cash advance of £60,000' (at a rate of 5.99%, the APR would be 6.2%)

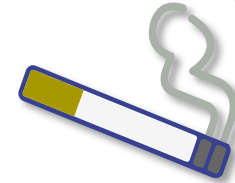
Fact-finding, health questionnaire



20 questions



Lifestyle



Health

**Equity Release Fact
find:**

www.justadviser.com



A call to action – 3 steps to consider

1. Go through your client bank to identify opportunities for equity release business:
 - Those with mortgages into retirement
 - Those who retired a few years ago on level pensions
 - Those who have families that need financial help
 - Undertake “data mining”
- 2. Decide how to meet this need:
 - Yourself through your own qualifications
 - Yourself by obtaining the ER qualification
 - Refer to a colleague
 - Refer to JRS
 - Don't do nothing!
- 3. Give your Account Manager a call - we would like to help

Intermediary poll

- **I'm interested in referring clients to Just Retirement Solutions**
- **I want to find out more about equity release marketing**
- **I would like to receive a copy of the equity release fact find**
- **No thanks**

Please click just one option.

Important information

It is our intention that the information contained within this presentation is accurate. We have taken all reasonable steps to ensure that it is up-to-date and where relevant, reflects the current views of our experts. However, we do not accept any liability for errors or omissions in the information supplied and if you require clarification on anything, our recommendation is that you contact us at the address below for verification, or call 0345 302 2287. Calls may be recorded and monitored and call charges may apply.

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www.justadviser.com

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marketing material



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Your questions with:

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