



LV= LIFETIME MORTGAGE CASE STUDY

WINDING UP A BUSINESS

As the value of pensions and the return on savings and investments continue to disappoint, it is perhaps no surprise that people are turning to the equity built up in their home to provide them with an injection of capital when they need it most.

Mr S from London became involved in his father's import business at the age of 17, the business having been started by his father in 1946. Having successfully run the business for many years, towards the end of 2009 Mr S took the decision to begin winding up the business, as profits had been declining since late 2008. His desire was to repay his business borrowing and to continue to live in and improve his family home. A friend of the family was a retired accountant who put them in touch with a specialist equity release adviser to discuss a lifetime mortgage as a possible solution.

Balanced, detailed advice

Mr S required around £890,000 to repay his business borrowing and given the potential size of the lifetime mortgage transaction, it was critical that he received well-considered and in-depth advice regarding his options. Mr S felt that the equity release adviser he was referred to presented the options in a very detailed and balanced way, making sure that he fully understood both the pitfalls and advantages of a lifetime mortgage. He had substantial equity built up in his home, but there were not very many lenders who were prepared to lend the substantial amount Mr S required.

Flexibility and confidence

His equity release adviser ultimately recommended Mr S take out an LV= Lump Sum Lifetime Mortgage on a maximum lump sum basis. Mr S felt totally comfortable with the quality of the advice he received from his adviser and didn't hesitate to follow this recommendation.

When the family home came to be valued by LV='s appointed valuer, unfortunately the valuation figure was almost £2million lower than expected. However, LV= agreed to honour the original loan amount and proceeded to issue a mortgage offer immediately. Mr S was delighted with LV='s practical approach to the valuation issue.

“Express Service, ten out of ten”

Mr S felt that both his adviser and LV= were very focussed on getting the lifetime mortgage completed as soon as possible and that as a result things progressed very quickly and smoothly. In fact, just 16 working days elapsed between the issue of the mortgage offer and receipt of the completion monies.

In summary, Mr S is delighted with both LV='s product and outstanding service and customer focus. His LV= lifetime mortgage has given him true peace of mind and has allowed him to repay his business borrowing. Without the immediate financial pressure of the business loans, he is now able to focus on how he best winds the family business down to allow him to enjoy his retirement, whilst remaining in and improving his much loved family home.

To protect the identity of our customers, photographs have been posed by models.

This is a lifetime mortgage. To understand the features and risks, ask for a personalised illustration.

You can get this and other documents from us in Braille, large print or on audiotape by contacting your financial adviser.

