HODGE

Len, age 48

Working Income
£50,000

Private Pension
£40,000

Angela, age 55

Working Income
£35,000

Private Pension
£10,000

Outstanding Mortgage: **£150,000** | Repayment Plan: **Sale of Property** | Property Value: **£300,000**

*If you sell your property and repay your loan in full, you won't pay an Early Repayment Charge.

Len and Angela have seven years left on their interest only mortgage. It was originally designed to be repaid before Len retires. The plan at this point was to downsize and move back to the area they had grown up in near the sea.

Although this is still the end goal, they have recently become grandparents and would like to stay in the area for at least the next 15 years to make the most of this exciting time and to help their daughter with childcare. They also have some unsecured debt they would like to consolidate to reduce their outgoings and allow Angela to go part-time.

Their existing lender does not allow debt consolidation on interest only. They also seem reluctant to extend the existing term past Len's retirement age which has led Len and Angela to seek mortgage advice.

Our 50+ option would provide a solution as it's an interest only loan that is available to them as one of the applicants is over 50 and could be set over their desired term of 15 years.

In addition, we are also happy to allow debt consolidation as part of the loan purpose. We can consider working income up to age 80, if plausible, and our experienced underwriting team are happy to explore future pension income for affordability after retirement.

To give them the 15 years they would like takes Len to his 63rd birthday and Angela to her 70th. This would allow them to service the loan from working income or a mix of Len's working income and Angela's pension once one or both of them retire within the standard 4.5 LTI requirements.

In 15 years they can repay the debt from the sale of their home. The 50+ mortgage is subject to death stress at age 82, so as the loan matures at age 70 this would not be required.

For more information, speak to our team direct:

0800 138 9109

lendingsupport@hodge.co.uk

hodgebank.co.uk/intermediaries

This is a hypothetical example. It's not an indication of likely or possible benefits or what we think will happen in the future. It's not advice of a recommendation from us.

65%

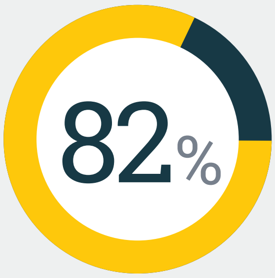
of residential sales are from **50+ Product Accounts** over the last year

£159k

average **case size**

£447k

average **property value**



of customers are re-mortgaging of these:

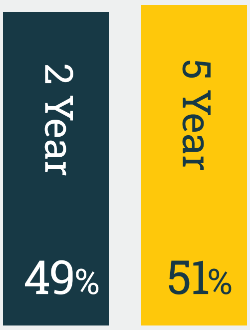
47% are raising **no additional capital**

15% for **debt consolidation**

10% for **family gifts**

8% for **home improvements**

2 & 5 year products **are equally popular** (YTD)



67 YEARS

average **customer age** at application

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