



Steve & Jane, age 61 & 60

Product: 50+

Careers: **Retired & Self employed IT developer**

Purpose: **Remortgage from interest only to repayment**

Term: 19 years

LTV: **70%**

Loan: **£182,000**

Property Value: **£260,000**

Repayment Type: **Repayment**

Jane is a 60-year-old retired police officer, while Steve is a 61-year-old self-employed IT developer and company director.

The pair took out an interest only mortgage in 2003 with a 20-year-term. Their current lender wrote to them highlighting their mortgage term would be ending in 12 months and they'd need to repay the mortgage.

After contacting their existing lender to discuss their options, they found themselves unable to do what they'd planned.

Jane and Steve had hoped to convert the mortgage to a repayment basis and increase their borrowing over 19 years, but unfortunately their existing lender wouldn't consider a term or income to age 80. A shorter term would result in the monthly payments being too high meaning they wouldn't meet the lender's affordability requirements.

They've lived in the home for many years and took interest only with an endowment policy in 2003. During 2009 Steve's business was struggling and with a young family they decided to cash in their endowment policy to support their financial position. The low interest only payments suited them while they had a young family and just carried on with the payments without really thinking about needing to repay the mortgage at the end of the term. It was a big shock to them when they received the letter from their lender and extremely stressful.

The property value is £260,000 and the current mortgage in £100,000 interest only. With both their children now grown up and with two grandchildren and another on the way, they remortgaged and raised capital for significant home improvements and a larger car.

With Hodge they can remortgage and raise capital on a repayment basis. Hodge will consider self-employed for affordability up to age 80. This worked as Steve is a director with a 50% share, takes a more administrative role in the business and has no intention of retiring.

Speak to our team



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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.

Hodge: Here's what you **need to know**

For more than 50 years, Hodge has helped our customers achieve their financial goals. We've honed our skills and knowledge in all things money, to ensure we create products and processes that work for you and your customers.

Over the years we've led the way in creating mortgage products to support the older than average borrower. In doing so, we've learned a lot about what consumers want, in the majority of cases that's flexibility from a lender who understands them and the life they lead.

But Hodge is not just for the older borrower, we just happen to be very good at getting to know specialist markets.

By designing products with your customers in mind, it not only allows them to focus on the things which matter to them, but equips you with the solutions to help them get there.

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Helping our customers achieve their financial goals for more than 50 years



Flexibility from a lender who understands your customers and the life they lead



Products designed with your customers in mind

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