



Lifetime mortgages helped homeowners to improve rather than move last year; what does 2024 have in store for the equity release industry?

- Home improvements continued to be the most popular use of equity release for Legal & General Home Finance customers over the last year, as people invest in their forever homes
- Customers also used lump-sums to consolidate debts and repay mortgages in 2023
- 2024 looks set to be a year of renewed interest in equity release as the property market likely stabilises

New data from Legal & General Home Finance shows that home improvements continued to be the primary reason that new equity release customers took out a lifetime mortgage last year (51%)¹. Customers often used their lump sum to invest in improving their forever home. This includes adaptations to make sure a property remains suitable into retirement, alongside other types of home improvements. Analysis of English Housing Survey data by the Centre for Ageing Better suggests that 91% of homes across the country do not provide basic accessibility features, which presents particular challenges as people age².

In addition to home improvements, customers took out lifetime mortgages to help get their finances in order. This includes debt consolidation (21%) and paying off mortgages (26%).

Customers taking additional drawdowns, however, were more likely to use the value from within their homes to help supplement their income (23%).

Craig Brown, CEO, Legal & General Home Finance:

“Property wealth can be a valuable asset and, looking at the new customers who came to us last year, we can see that home improvements continue to be the most popular use of equity release, helping people to improve rather than move.

“As we look ahead to the rest of 2024, we anticipate a renewed interest in lifetime mortgages as customers reconsider using property wealth as the market likely stabilises. It’s worth bearing in mind that house prices are still significantly higher than pre-pandemic figures (18% up from the end of 2019), so property still represents an important asset which homeowners are increasingly likely to draw on³.

“We’re also seeing more innovation in the market, bringing a greater range of products, like our new payment term lifetime mortgage, to give a broader range of solutions to a wider pool of customers.”

-ENDS-

¹ Legal & General Home Finance data analysing loan across 2023

² Centre for Ageing Better, [Accessible homes are a matter of social justice](#), September 2023

³ Office for National Statistics, [UK House Price Index: October 2023](#)

Notes to editors

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*as at August 2023

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In 2022, we had total individual annuity sales of £954 million, and issued £632 million of Lifetime Mortgages and Retirement Interest Only Mortgages. Our Workplace pension platform served 4.9 million members, while our Protection businesses gave peace of mind to more than 6.3 million UK life insurance, 1.8 million group and 1.5 million US customers, taking in £3.1 billion of gross written premiums.

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