



Fall in lifetime mortgage customers using property wealth to pay off debts

- Bulleted New trends reveal shift in how customers are using equity release, with debt repayments in decline
- Spending on home improvements remains the biggest reason for accessing property wealth

New data from L&G's Home Finance business¹ has revealed a shift in how homeowners are using equity release, with far fewer turning to it to pay off debts.

The proportion of new customers turning to their property wealth to repay an existing mortgage has dropped from 31% to 19% of applications between H1 2024 and H1 2025. Similarly, the number using it to clear other debts, such as loans or credit cards, has also fallen (25% to 23%).

Instead, equity release is being used to support quality-of-life spending and family priorities. Half (50%) of customers are using it to fund home improvements, while one in five customers (18%) are using their property wealth to support other family members in the form of a financial gift.

Mike Batty, Product & Proposition Director, Home Finance, L&G: "Property wealth continues to be a useful tool for homeowners looking to fund later life and help achieve longer term goals. It's encouraging to see people turning to the money tied up in bricks and mortar to improve their quality of life.

"As a lender, we continue to work with advisers and the wider industry to ensure the best outcomes for people looking to benefit from accessing their property wealth. While not suitable for everyone, lifetime mortgage solutions can be an important consideration as part of a holistic approach to financial planning."

-ENDS-

¹Legal & General Home Finance data analysing loans across 2024 and 2025



Notes to editors

About L&G

Established in 1836, L&G is one of the UK's leading financial services groups and a major global investor, with £1.1 trillion in total assets under management (as at FY24) of which c. 44% (c. £0.5 trillion) is international.

We have a highly synergistic business model, which continues to drive strong returns. We are a leading player in Institutional Retirement, in Retail Savings and Protection, and in Asset Management through both public and private markets. Across the Group, we are committed to responsible investing and dedicated to serving the long-term savings and investment needs of customers and society.

As at 12 March 2025, L&G has a market capitalisation of £14.1 billion.

About our Retail business

L&G's Retail business is a leading provider of retirement and protection solutions. We aim to support our c.12.8 million policyholders and workplace members throughout their financial lifetimes.

We focus on helping the customers of today and tomorrow achieve better long-term outcomes. We use the latest technology to connect with them quickly, efficiently and wherever possible in highly personalised ways.

In 2024, our workplace pension platform served 5.5 million members, with net flows of £6 billion. We achieved record total individual annuity sales of £2,118 million and £270 million of lifetime mortgage advances (including retirement interest only mortgages). Our UK protection businesses gave peace of mind to about 6.6 million people, with our retail gross premium income rising to £1,525 million and our group equivalent going up to £528 million.

Further information

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