

Half of lifetime mortgage customers used property wealth for home improvements in 2025, L&G reveals

- Home improvements remained the most popular use for equity release, stated by 50% of L&G customers last year.
- Fewer customers (20%) used equity release to repay mortgage debt in 2025 (down from 31% in 2024).

New data from L&G's Home Finance business¹ reveals that spending on home improvements remained the most popular reason for accessing property wealth in 2025, with half (50%) of new lifetime mortgage customers reinvesting equity into their property.

Meanwhile, the data showed a significant fall in new applicants using equity release to repay mortgage debt (20%), down from nearly a third (31%) in 2024.

There was also a slight fall in customers using their property wealth to consolidate other debts, such as loans or credit cards, dropping from 24% to 23%.

Almost a quarter (24%) of new lifetime mortgage customers used equity release to set aside money for an emergency fund (up from 22% in 2024).

Paying for home improvements was also the most popular use for additional drawdowns (51%), followed by support for everyday living expenses (24%).

L&G's data follows industry-wide stats from the Equity Release Council earlier this week which revealed that the market as a whole grew 11 per cent in 2025, reflecting how housing equity is becoming an increasingly important contributor to retirement planning.

Lorna Shah, Managing Director, Retail Retirement, L&G: "Property wealth can play an important role in supporting people's retirement income and helping them meet their long-term goals. Our latest data highlights that home improvements remain the most popular use for equity release, while fewer customers are paying off mortgage debts with the equity they have in their home."

"As a lender, we work closely with advisers and the broader industry to ensure that people looking to access property wealth make informed choices, and give proper consideration to all of the options available to them."

-ENDS-

¹Data from L&G's Home Finance business analysing loans across 2025 and 2024. Multiple loan purposes are possible/common in applications. The data only refers to applications which have completed or are in the pipeline.



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 HY25) of which c. 43% (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.

About our Retail business

L&G's Retail business is a leading provider of retirement and protection solutions. We aim to support our 12.4 million customers 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.

As at the first half of 2025, our workplace pension platform served 5.6 million members, with net flows of £4 billion. Retail annuity sales were £745 million and lifetime mortgage advances (including retirement interest only mortgages) were £104 million. Our retail protection gross premium income was £771 million.

Further information

Name: Harry Cheesewright

Role: PR Campaign Manager

Business: Retail

Email: harry.cheesewright@landg.com

Name: Rakin Sayed

Tel: +44 (0) 7581036067

Email: rakins@lansons.com