

# Equity Release Enables Parents to Help their Children Get on the Property Ladder, Report Bower Retirement Services

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Bower Retirement Services provides tips on how homeowners can use equity release (<http://www.brsequity.co.uk/>) to help their children get on the property ladder

Homeowners are in a favourable position; they've done all the hard work already. The mortgage is paid and the property ladder has been well and truly ascended. But for their children, life is much harder.

First time buyers are struggling to get onto the property ladder on their own. Mortgage lenders are asking for increasingly large deposits, high loan-to-value mortgages are in short supply and house prices continue to rise even despite the recession.

For many young people today, getting onto the property ladder alone is nothing more than a fantasy. However, equity release by the current generation of homeowners can be used to help first time buyers reach the first rung of the property ladder.

Bower Retirement Services advises parents over 55 years that are homeowners to use equity release as a way of helping their children buy their first homes. For an idea of just how much cash is locked up in a homeowner's property, Bower Retirement Services has created a handy equity release calculator (<http://www.brsequity.co.uk/equity-release-calculator/>). Homeowners can find out how much they can expect to receive from equity release by entering information on estimated property value, remaining mortgage and the age of the youngest homeowner.

There are several different types of equity release schemes to choose from, however, in this instance Bower Retirement Services says the most appropriate scheme is usually a lump sum lifetime mortgage.

This type of scheme gives homeowners a lump cash sum to use as they please – releasing plenty of cash to use as a large deposit for a new property for first-time buyers – there are no monthly repayments and no set term. Interest is charged, but this is only paid when the homeowners die or move into permanent long term care.

Bower Retirement Services thoroughly checks all the equity release providers it works with and ensures every provider is a member of the Equity Release Council (formally SHIP), the organisation that regulates equity release.