

Equity Release – Tip Sheet

Please see below some tips for Equity Release mortgage discussions with your customers.

1. Home Improvements/Staged Drawdowns

Discuss this with customer and go through the staged drawdowns and retention conditions and how they work.

- a. When are the works starting?
- b. Does the customer have a suitably qualified architect/engineer or building surveyor for same? (Required for Architect & Engineers Report and Property Report Certificate). All forms can be found [here](#).
- c. Is your customer aware of the need for a property report certificate (PRC).
- d. Is the customer aware of retention and how to obtain the final drawdown – certificate of compliance, financial contributions, updated home insurance, final valuation etc. (The Bank cannot accept a builder's letter – all certificates of compliance must be provided by a suitably qualified architect/engineer or building surveyor).

2. Life Cover/Mortgage Protection Policy

- a. Is the customer amending an existing policy? *They need to start this process ASAP.*
- b. What is the term of the loan, what is term of life cover? *If the term they are requesting is longer than the existing mortgage they may not be eligible for increased or extended cover.*
- c. Can a new policy be taken out? (Medical situation may have changed).
- d. If the customer has any issues with getting new or increased cover refer back to the Broker Specialist immediately.
- e. Is existing policy level term or basic mortgage protection?

3. Ensure the customers are made aware their Equity Release mortgage will be a standalone mortgage with separate requirements and it will not be added to their existing mortgage.

4. The customer is required to provide a valuation report – this needs to include costings for any proposed works [where relevant].

5. If the purpose of loan is to repay debt then a solicitor undertaking is required to ensure that debt will be repaid on drawdown of funds.

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