Research Show 4.4 Million over 21s Still Rely on the Bank of Mum and Dad, reports Bower Retirement Services

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Parents spend £175 a month over the course of their child's adult lifetime. Equity release is being advised as a possible financial solution to supply the bank of mum and dad

September 24, 2012, 8:51 am -- /EPR NETWORK/ -- Research from LV = reveals 4.4 million over 21 year olds still borrow money from their parents. The average monthly donation from parents to adult children is £175. This is used to cover rent, bills and help pay off debts. Additionally £9,476 is awarded to fund weddings, holidays, further education and to help young adults get onto the property ladder. Although it helpingyoung adults is hardly surprising, the research revealed parents expect to continue to support their 'children' until the age of 38, now the average age of a first-time property buyer.

This obviously puts great financial strain on Britain 's parents. It eats into retirement funds and one in ten parents surveyed by LV = admitted they had spent everything they had on their children. The issue isn't going to go away soon, particularly if predictions that the average age of a first-time buyer will be 41 by 2025 are correct.

Parents need to prepare for the future early to ensure they are well equipped financially to provide for themselves and help out their grown-up children when necessary. There are several options available, but with interest rates currently being so low, saving plans aren't the most viable option.

Equity release plans are a more effective option for homeowners. Bower Retirement Services, an award-winning equity release advice service, can help homeowners find anequity release plan that's right for them.

There are four types of plans available: lump sum lifetime mortgages; lifetime mortgage with flexible cash release, also known as a drawdown mortgage; interest only lifetime mortgage and home reversion plans.

The most suitable, and now the most popular comprising 68% of the market, are drawdown plans. Homeowners are lent money based on their property's value and additionally can withdraw regular cash amounts at a frequency and value chosen by the individual. Interest is charged, but it's only repaid when the homeowners die or move into permanent care. These mortgages allow parents to look after themselves during retirement but also offer the ability to provide assistance to their offspring.

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