

# Key Retirement Solutions find homeowners to be £207bn in mortgage debt during retirement



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**Press Release Summary: A new report from equity release specialist, Key Retirement Solutions, shows that a third of the overall UK population who are in, or nearing, retirement now owe £207 billion in outstanding mortgage debt**

Press Release Body: A new report from equity release specialist, **Key Retirement Solutions,**

indicates that a third of the UK population who are either in, or nearing, retirement owe £207 billion in outstanding mortgage debt - averaging £37,316 per head.



The findings released by **Key Retirement Solutions** are from analysis based on 4,507 people aged 55+ who released equity in their home with Key Retirement Solutions, the independent [financial advisers](#), in 2007. The results revealed that 32% of all Brits aged over 55 still have outstanding mortgage debts. While 35% of those aged 60-69 years and 29% of those 70 years and over still have mortgage repayments to make.

The analysis shows that there has been a 20% increase this year in the average outstanding mortgage debt owed by those aged 55-59 years, currently standing at £29,083. This amount increases with age to £31,368 for those aged 60-64 years and £32,871 for those aged 65-69. The over-70s have seen a 23% increase in the level of outstanding mortgage debt compared to 2007, and now owe on average £45,493, meaning this group is most at risk. These findings show the increased need for [financial planning for retirement](#) in order to ease the financial burden.

Whilst the analysis is based solely on those who decided to release [equity](#) from their home, **Key Retirement Solutions** believe that even if this is only partly reflective of pensioners as a whole, then the results are of huge concern. The rising cost of living is increasingly affecting everyone's budgets; however it seems the older generations are feeling the pinch more than others. With new estimates from **Age Concern** putting the number of pensioner a household living in fuel poverty at 2.25 million, with an estimated increase of 250,000 pensioner households due to the price rises this year alone, many have little income left to enjoy their twilight years.

**Chris Tapp, Director of charity Credit Action**, commented on **Key's** findings: *"At Credit Action, we are concerned that the stresses on household budgets that everyone is facing, whether it be rising food costs or higher utility bills, affect pensioners to a greater degree. This, coupled with the fact that people had to borrow more and for longer periods in mortgages as house prices have grown over the last few years, means that many are facing tough times and perhaps tough decisions, in order to keep their finances on track. It is vital that people who are worried take action and the sooner the better."*

The analysis shows that the average monthly repayment on outstanding mortgage debt for retirees is £218. Industry statistics show that nearly two-thirds (62%) of pensioner couples have a total pension income of less than £10,000, and this falls to less than £6,000 for half of single pensioners.

According to the **Consumer Credit Counselling Service (CCCS)**, for the first time, clients over 60 have the highest levels of debt and they are increasingly seeking help – now equal to the number of under 25s who go to them for help with their finances.

**Dean Mirfin, Business Development Director at [Key Retirement Solutions](#)** concluded: *"Our analysis shows we are seeing more and more people reaching retirement still with outstanding mortgage debt. An increasing number of people are choosing to re-mortgage as an alternative to downsizing, carrying out improvements on their home, or even helping their children get that first step on the property ladder in today's almost impossible market. As the cost of living continues to rise, more than ever people approaching retirement should be aware of the real threat debt poses to their finances in retirement and subsequently their lifestyle."*

**About Key Retirement Solutions** **Key Retirement Solutions (KRS)** is an independently managed company following the management buy-out from **Chesnara**, formerly part of **Countrywide Assured Group plc**.

**Key's** commitment to service has been recognised by the financial services industry through a series of prestigious awards

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