



EMBARGOED UNTIL: 00:01am Saturday 8th December 2007

SHIP MEMBER SURVEY 2007: POPULARITY OF EQUITY RELEASE SET TO SOAR AMONG IFAS IN 2008

The growing popularity of equity release with today's ageing population has seen the number of new advisers entering the market increase considerably in 2007, according to members of Safe Homes Income Plans (SHIP) - the trade body representing over 90% of the equity release sector by volume.

Findings from the third annual SHIP Member Survey* reveal that nearly two thirds of all SHIP members surveyed believe there has been a marked increase in the percentage of independent advisers adding equity release to their portfolios this year.

With total business for SHIP members expected to reach £1.279 billion by the end of 2007, an 11% increase on full year figures for 2006, SHIP members surveyed predict the total for 2010 could reach £2.19 billion. Such growth represents a real opportunity for independent advisers and this year many decided to tap into the prospects equity release offers.

Areas of the market predicted to show growth next year, according to SHIP members surveyed, include home reversion schemes and flexible drawdown options. Over 40% of members believe that, following FSA regulation of home reversion products in April 2007, the proportion of business from these products will increase by the end of 2008. Over 70% of members surveyed also reported flexible drawdown as the most popular product feature of 2007 and believe lifetime mortgage drawdown options will account for 56% of all equity release products sold during 2008 - in Q3 2007 these products accounted for 51% of all business completed by SHIP members.

The predicted growth of the equity release market from these areas offers a real opportunity for independent advisers during 2008. However, only 16% of members surveyed felt that this growth alone, plus home reversion regulation and industry examinations, will be enough to boost adviser numbers going into the New Year.

The role SHIP plays in increasing confidence and highlighting the potential of equity release among independent advisers, is therefore still very important in 2008. This includes promoting equity release as a mainstream financial product and encouraging advisers to become involved in the sector.

Andrea Rozario, Director General of Safe Home Income Plans commented:

“The reported increase in independent advisers entering the equity release market during 2007 is encouraging and has been noticeable to a lot of SHIP members. With full regulation this year the market now has a level playing field and offers a wealth of opportunities to advisers.

“However, as members have noted, the importance of SHIP as the industry body has never been more important. With a fully resourced new management structure now in place, I hope SHIP will be able to encourage more advisers into the market. We intend to support them with the necessary information to maximise and support their business in an ever growing market place.”

-ENDS-

Notes to Editors:

For further information, please contact:

* 3rd annual SHIP Member Survey conducted among SHIP's current members during November 2007

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About SHIP:

Safe Home Income Plans (SHIP) is the UK's leading professional body for equity release product providers, representing the interests of its members who provide home income and equity release plans. It was launched in 1991 to promote safe schemes. At present, 90% of the equity release market (in volume terms) is represented by SHIP members.

SHIP's current 19 members (Coventry Building Society will begin its membership in January 2008) are: Bradford & Bingley plc, Bridgewater Equity Release, Bristol & West Mortgages, Hodge Equity Release, Home & Capital Trust, In Retirement Services, Just Retirement, Key Retirement Solutions, National Counties Building Society, New Life Mortgages, Northern Rock, Norwich Union, Partnership Home Loans, Prudential, Retirement Plus, Standard Life, Stonehaven Equity Release, Stroud & Swindon Building Society, Tomorrow.