



## **SHIP WELCOMES FSA CONSULTATION PAPER ON SALE AND RENT BACK REGULATION**

Andrea Rozario, Director General of SHIP - the equity release trade body- comments on the introduction of sale and rent back regulation:

"SHIP welcomes the launch of the first stage of sale and rent back (SRB) regulation. This is something that we have been urging the Government to adopt for several years now and we believe this move will benefit consumers greatly.

"In the past, we have been very concerned about the lack of information given to customers about the practicalities and risks associated with SRB products. However, with the current economic downturn, it is inevitable that more and more consumers are looking to their housing equity to relieve financial pressures.

"Therefore, we hope that today is the first step towards providing a safe regulated environment whereby consumers can make an informed choice as to whether SRB is right for them and have some protection should they proceed.

"Despite this welcome regulation, there are still significant differences between equity release plans offered by SHIP members and SRB schemes. The two main differences consumers should take note of are:

- Security of tenure: all regulated equity release products provided by SHIP members give the customer the right to live in their homes for life
- No monthly rent: The plans provided by SHIP members do not require regular monthly payment from customers."

To help consumers, SHIP has made available a sale and rent back checklist, available at [www.ship-ltd.org](http://www.ship-ltd.org).

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**About SHIP Equity Release:**

Safe Home Income Plans (SHIP) is the UK's leading professional body for equity release product providers. launched in 1991 to promote safe plans, SHIP is dedicated to the protection of the planholder and the safe growth of the industry. SHIP represents approximately 90% of the providers in the UK.