

Seniors Equity Loan

Unlock the value of your home and enjoy the lifestyle you want sooner.

Your home is a valuable asset. With the Seniors Equity Loan, you can free up some of that value and use it to achieve some of the things you want today, such as a new car, holiday, or supplementing your regular income to help you live more comfortably – all while you remain in the comfort of your own home.



Loan features

- » Lowest variable rate*
- » Available to borrowers 60 years and over
- » Low start-up costs
- » No annual fees
- » No scheduled repayments
- » No negative equity guarantee

Are you eligible?

To be eligible for the Seniors Equity Loan you will need to:

- » Own or nearly own your home in the metropolitan area, or HomeStart approved regional location. If you still have some existing debt on your home loan, you can use the Seniors Equity Loan to pay it off
- » Be at least 60 years of age

How does it work?

The Seniors Equity Loan allows you to borrow money using the equity in your home as security. As with a personal loan or a credit card, you can get access to funds as you need them or as a single lump sum. Interest is charged like any other loan, except you don't have to make repayments while you live in your home – the interest compounds over time and is added to your loan balance.

Interest rate

Loan interest will be charged at HomeStart's Seniors Equity variable rate. Fixed and split interest rates are not available on this loan.

**Based on rates sourced online, 30 August 2016.*

How much can I borrow?

How much you can borrow depends on the value of your home and your age – the older you are, the more you can borrow. If you're 60 years old you can borrow 10% of your home's value. If you're 85 or older, it's 35%. If there is more than one person applying for the loan, the youngest applicant must be at least 60 years of age.

No scheduled repayments

There are no monthly repayments to your Seniors Equity Loan. You can choose to make voluntary repayments at any time (minimum of \$100 per month) or defer repaying the loan until the house is sold or the last co-borrower moves out or passes away.

No Negative Equity Guarantee

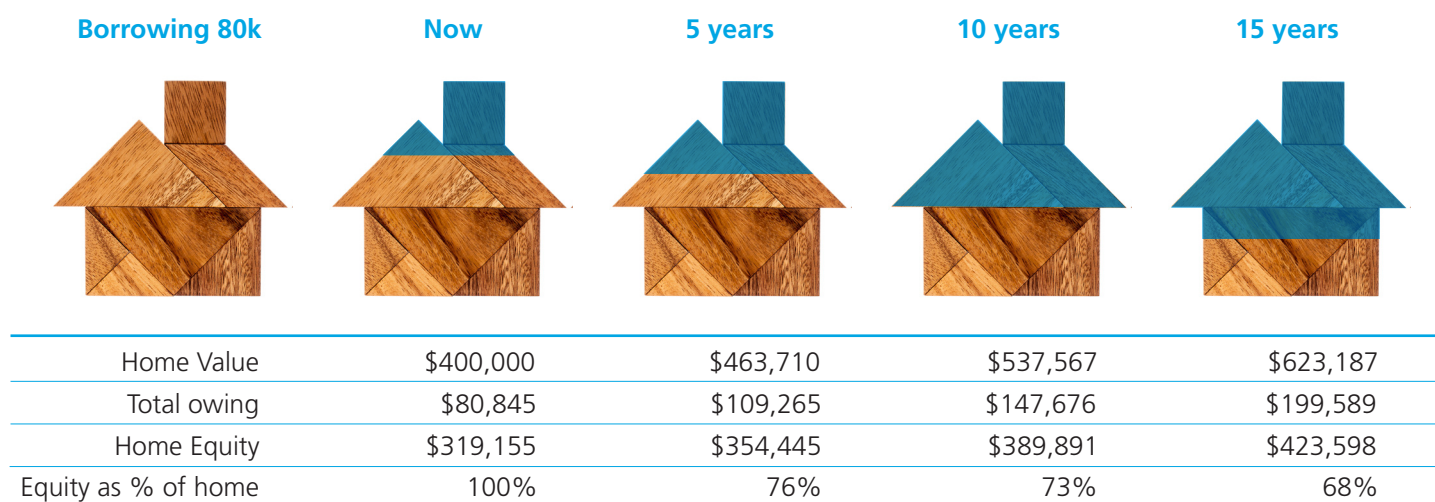
This means you'll never owe more than the adjusted market value of your home (provided you have not at any time engage in fraud or made a misrepresentation relating to the loan).

To get started, call **1300 636 878**.
Visit homestart.com.au for more information.

Unlock your equity

Assumptions: Growth rate 3% / Interest rate 6.04%

■ Home equity ■ Amount owing



No tenancy protection provision

The Seniors Equity Loan contract does not contain a 'tenancy protection provision'. This means that a person who is not party to the loan will not be able to remain in the property when the property ceases to be occupied by the borrower/s.

Insurance, fees and charges

You are required to maintain an insurance policy covering the value of the building on your property. If you choose to redraw funds instead of receiving a lump sum, you may be charged redraw fees.

For more information, visit homestart.com.au/rates-and-fees.

Is it the right choice?

To make sure the Seniors Equity Loan is a good choice for you, we suggest you discuss your options with your family and seek independent financial and/or legal advice about your situation. If you receive benefits from Centrelink, contact them to discuss your options, as your pension may be affected by a reverse mortgage.

Visit government website www.moneysmart.gov.au to learn more about reverse mortgages.

How could it help me?

As an example, meet Beth.

- » 80 years old
- » receives a pension of \$20,665 per year
- » owns her own house valued at \$400,000



Since Beth's husband passed away, she has been discussing with her family about moving into Aged Care Accommodation. Currently, Beth can afford basic accommodation (equivalent to \$300K deposit or \$52 per day), with \$72 remaining from her pension, per fortnight. By accessing the HomeStart's Senior's Equity Loan, Beth can afford her preferred accommodation (equivalent to \$400K deposit or \$69 per day), with \$120 remaining per fortnight to contribute towards day-to-day costs... including spoiling her grandchildren!

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Terms, conditions and eligibility criteria apply. Fees and charges are payable.
Information correct as at October 2016 and may change without notice. QQP023 1610
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