

THE ASF LIFETIME LOAN FACT SHEET

The ASF Lifetime Loan is a reverse mortgage product issued by a member of the Australian Seniors Finance Limited group of companies. The ASF group of companies is not related to Heritage Bank. Heritage Bank is only a promoter and distributor of the ASF Lifetime Loan. Successful applicants will not be entering into any agreement with Heritage Bank.

Payment options:

- Lump sum:

You can choose to take your funds in a number of ways:

- Regular payments:

You can receive a lump sum payment.

You can elect to receive regular payments either quarterly or annually over 5 or 10 years.

- Cash reserve:

A Cash Reserve enables you to "reserve" an amount up to the difference between the funds you take initially and your maximum loan entitlement.

You can apply to draw on this reserve at any time throughout the life of the loan after this has been approved.

All of the above options can be used in combination.

Purpose of loan:

Any purpose.

Postcode location:

ASF do not have postcode restrictions.

Should you require clarification for a specific location, please contact ASF.

Minimum loan:

Minimum lump sum: \$10,000

Minimum regular payment: \$2,500 per annum

Minimum cash reserve draw down: \$2,500

Minimum further advances: \$2,500

Maximum loan:

Up to a maximum amount of \$250,000 based on the value of the property and the age of the youngest applicant.

Availability:

Borrower(s) and/or nominated resident(s) aged 60 or over with a maximum of two applicants.

Interest rate:

Variable rate: 7.90% pa

Comparison rate: 7.94% pa

Guarantee:

The ASF No Negative Equity Guarantee ensures that the amount owing will never exceed the net sale proceeds from your home*.

Property criteria:

The property must be of conventional construction and in good repair.

It must also be mortgage free (unless the loan is used to repay any outstanding mortgage) and, if leasehold, on terms and conditions acceptable to us.

The minimum property value we will consider is \$150,000.

Portability:

The loan can be transferred to a new property subject to ASF's current terms and conditions.

Equity protection option:

You can choose to protect 10%, 20% or 50% of the net proceeds from the sale of your home. This means at all times the percentage protected is yours, irrespective of your loan balance.

The cost is \$295 and is payable when the option is activated.

- 10% or 20% option can be activated anytime throughout the term of the loan.

- 50% is available only at the time the contract is originated.

Rates are calculated daily and charged monthly. Whilst not guaranteed, we aim to maintain the variable rate at no higher than 1.5% per annum over the major banks' standard variable mortgage lending rates, with a guaranteed margin cap of 5% above 90 day bank bill rate.

The Comparison rate is based on a loan of \$150,000 secured for a term of 25 years.

WARNING: The comparison rate only applies to the example - or examples given. Different amounts and terms will result in different comparison rates. Costs such as redraw fees and costs savings such as fee waivers, are not included in the comparison rate but may influence the cost of the loan. A comparison rate schedule is available at the premises of ASF.



Rental option: You may apply to rent your property for up to 5 years.
Examples:
You are entering into long term care
Purchasing an accommodation bond
Travelling overseas for an extended period, with an eventual return home.
Please contact us for further information.

**Establishment/
Valuation fees:** **Establishment fee**
Variable rate - \$995 (plus valuation fee)
Regular payment option: \$295

Valuation fee (incl. GST)

Less than or equal to \$ 1 million: \$295
Greater than \$ 1 million or less than or equal to \$1.5 million: \$825
Over \$ 1.5 million: to be quoted by ASF.
ASF does not require regular revaluations.

Other fees: \$125 for each payment from your cash reserve.
Further advance: \$295 (plus valuation fee, if required).
Variation or reissue of loan documentation: \$295.
Mortgage Discharge: \$395.
In the event of a variation to an existing loan, a new valuation may be required.
If you require an attended loan settlement, there will be an additional charge of \$95.

Early repayment: There are no early repayment fees by ASF.

Statutory costs, state stamp duty and registration fees may apply.
It is important to make sure that ASF Lifetime Loan is right for you. You must seek advice from, and be represented by, your own solicitor. We also recommend you seek qualified, independent financial advice. You may also want to discuss your options with family members.
Please note the information (including fees and charges) set out in this fact sheet may change from time to time. Please retain this insert for future reference.

Licence Numbers:
Australian Seniors Finance Pty Ltd - 386760
ASF Custodians Pty Ltd - 386781

Heritage Bank has partnered with Australian Seniors Finance to distribute the ASF Lifetime Loan. Heritage Bank will receive a commission from ASF in respect of any Lifetime Loan made to a person introduced by it. This commission is paid by ASF and is not an additional cost to you.

IMPORTANT NOTICE: This information has been prepared without taking account of the objectives, financial situation or needs of any particular individual. For this reason, any individual should, before acting on this information, consider the appropriateness of the information having regard to their individual objectives, financial situation and needs and, if necessary, seek appropriate professional, financial and taxation advice.

Applications for our Lifetime Loan are subject to Australian Seniors Finance Limited's normal loan approval. Full terms and conditions will be included in any loan offer. Fees and charges are payable.

* Provided you observe the terms and conditions of the Lifetime Loan, you will not owe more than the net sale proceeds of your home and you can stay in your home for as long as you choose.