

# Advantage

News from Heartland Seniors Finance – The Home Equity Release Specialist

July 2015

## What's inside?



Volunteering benefits both parties 02



Aged Care made easy 03



A hearty pumpkin soup recipe with a kick! 03



Answer our survey to be in with a chance of winning a Coles voucher! 04

## Welcome to Heartland Seniors Finance!

It was a little over a year ago that Heartland New Zealand Limited purchased Australian Seniors Finance, bringing it into the Heartland group. For Heartland, the opportunity to acquire the “market expert” in reverse mortgages in Australia was compelling.

Heartland New Zealand Limited is a New Zealand-based company, listed on the New Zealand stock exchange (the NZX) with more than 9,000 shareholders. It also owns Heartland Bank, which focuses on the household, business and rural sectors in New Zealand. Heartland Bank also offers reverse mortgages in New Zealand, under the name Heartland Seniors Finance.

I am very pleased to announce that Australian Seniors Finance has adopted the same name – Heartland Seniors Finance. As Heartland Seniors Finance, we will continue to be a specialist provider of reverse mortgages in Australia, offering the same exceptional service to our customers.

There will be no changes to personnel as part of our transition. Julie Campbell and her team are doing a terrific job and they

will continue to do so. They are extremely passionate about reverse mortgages and the ways these loans can change our customers' lives in retirement, giving them financial freedom and independence.

The only changes going forward will be those you can see. For example, your statements will be from Heartland Seniors Finance and our brochures and website will be updated. Aside from a new name and different colours, these updated materials won't include any other changes. This is simply the final step in becoming part of the Heartland group. We are excited to be able to share this change with you.

If you have any questions, please don't hesitate to contact us by email at [enquiries@seniorsfinance.com.au](mailto:enquiries@seniorsfinance.com.au) or by phoning 1300 889 338.

**Jeff Greenslade**  
Managing Director, Heartland New Zealand Limited



## New look, same service!

**I am pleased to announce our new name - Heartland Seniors Finance**

We are incredibly excited about our new look and name, giving us the opportunity to more closely align ourselves with the many strengths of our parent company, Heartland New Zealand Limited. Like us, Heartland has a strong relationship with its customers and their communities.

The look and name is different, but that's where the changes end. Let me assure you, the same experienced and friendly team members are here to assist you.

Our primary vision is to enable independence for Australian seniors. We understand what an important decision it is to release equity from your home, and recognise the level of trust you have placed in us to assist you.

With that in mind, we are conducting a survey to find out whether there is anything we can do to improve the service we provide. Please take the time to complete this and send it back to us. The postage is pre-paid, so it won't cost you anything. You could win a \$25 voucher if you're among the first ten respondents!

I hope that you find this newsletter interesting and informative. Do contact us with any feedback or questions you may have on 1300 889 338. We are always happy to help.

Yours sincerely,

**Julie Campbell**  
Chief Executive Officer



**IMPORTANT:** Every effort has been made to ensure the accuracy of this newsletter. It is provided on the basis that the items are necessarily generalised and are not a substitute for commercial judgement or professional advice. Readers are urged: 1. to seek specific advice on any particular matter from a qualified professional person; and 2. not rely solely on this text.

**HEARTLAND**  
— Seniors Finance —

# Introducing our expert partners

## The strong network behind our customer service offering

**H**earthland Seniors Finance understands the trust you place in us, when you make the decision to release equity from your home. We also pride ourselves on the level of assistance and expertise we are able to provide to you, as our customer. To help achieve that, we have great support.

Thanks to a strong network of respected financial partners, we can offer face-to-face, telephone and email support to you on all aspects of the Heartland Lifetime Loan, so we thought it would be nice to introduce our partners to you:

**The Greater Building Society** has helped everyday Australians reach their financial goals for over 70 years. Founded in 1945 to provide would-be home owners with a fair-go

alternative to traditional money management, The Greater offers simple banking in an honest way. The Greater is customer-owned, meaning that any profit they make is reinvested into the business, to provide better value products and services and local community support.

**Tel:** 1300 651 400  
**Email:** [webenquiry@greater.com.au](mailto:webenquiry@greater.com.au)

Australia's largest mutual bank, **Heritage Bank Limited** operates 61 branches throughout south-east Queensland. Established in 1875, it has been in the business of putting 'people first' for more than a century. With no shareholders, all profits go back to its customers and communities.

**Tel:** 13 14 22  
**Email:** [info@heritage.com.au](mailto:info@heritage.com.au)

**Police Credit Union** customers are shareholders and owners and all profits are 'poured back' into members benefits. The PCU exists purely to assist its customers reach their financial and lifestyle goals through a superior, personalised member service.

**Tel:** 1300 131 844  
**Email:** [pcu@policecu.com.au](mailto:pcu@policecu.com.au)

Heartland is proud to be in partnership with organisations whose values mirror our own, and who are available to help introduce customers to the Heartland Lifetime Loan.

- The Heartland Seniors Finance team



## Making a difference for both parties

*Why volunteering is a two-way street*

**W**hile some may spend most of their working life dedicated to a cause they feel passionate about, many Australians fulfil the desire to give something back to their communities through volunteer work. According to a 2010 Voluntary Work survey, carried out by Volunteering Australia, 36.2% did so and many of them found their experiences were as rewarding for themselves as for the organisations they volunteered with.

Many volunteers claim to lead happier, more satisfying lives and Australian seniors are no exception.

### Seniors lead the volunteer base

According to the same survey, those over 65 account for almost half of the country's volunteer hours – the highest proportion of any age group. For many, it's viewed as a huge

benefit of retirement and a way of getting involved with something they care about.

Interestingly, the older we get, the more time we are willing to give to volunteering. A 2012 National Seniors' retirement planning report of those over 50 found that 52% of pre-retirees were intending to spend their post-employment years engaged in volunteer work.

In fact, volunteering in retirement is so popular that a number of charitable Australian organisations actively target retirees to recruit to their volunteering ranks.

While some seniors admit to taking on too much, most insist that it's a major contributor to keeping them happy and healthy, as well giving them a sense of purpose. This is backed by a great deal of research, which shows that seniors who volunteer are likely

to have better physical and mental health, as well as live longer.

### Cost versus reward

However, although older Australians are keen to volunteer, some report that barriers to doing so include ageism, transport and other costs.

The financial cost of helping out in person can make some seniors feel that a more feasible way of giving back to the community is to bequeath money, which is often tied up in assets until they pass away.

While these are genuine concerns that appear to be addressing legitimate problems, the question is, if the ability to support an organisation in person is mutually beneficial, is it worth accessing some of the capital invested in your home now, so both parties can enjoy the benefits of volunteerism?

# Aged Care *made easy*

*How you can get the care you need, and keep your home*

There have been significant changes in the Aged Care world in the past year, with the promise of more to come in the year ahead. The Federal Government legislation “Living Longer Living Better” came into force on 1 July 2014, with the aim of increasing transparency; however, despite this admirable goal, in the short term it appears quite complex.

We have created the table below to clarify what the majority of homeowners will be required to pay once they move into Aged Care.

Fee	What this covers	How it works
Refundable Accommodation Deposit (RAD)	This is effectively a room accommodation fee. It does not cover your care costs.	The RAD is paid as a lump sum, which is refunded to you or your estate when you leave care. In metropolitan areas, this would typically be over \$400,000. Only the lump sum is returned, it does not earn interest.
Daily Accommodation Payment (DAP)	This is effectively a room accommodation fee. It does not cover your care costs.	The DAP is paid daily, and costs about \$70 per day (calculated by a government formula based on the RAD fee being \$400,000) You do not get the DAP back.
RAD and DAP combined	This is effectively a room accommodation fee. It does not cover your care costs.	This method has two options: 1) Partial payment of both. 2) Drawing the DAP from the RAD.
Daily Bed Payment (DBF)	The cost of your bed in care.	Rate is set at 85% of the base aged pension, and is payable by all residents.
Means Tested Care Fee (MTCF)	This is a contribution towards your care costs.	The amount you are required to pay is based on your income and assets, with an annual cap of \$25,200 and lifetime cap of \$61,200 (amounts are indexed).
Additional Services Fee	This pays for anything extra you might like, such as Foxtel or a glass of wine with dinner.	

## Selling your home

Quite often, aged care facilities urge people to sell their property to pay for these fees, especially the RAD. Heartland Seniors Finance provides you with other options.

You can borrow against your home to fund these costs, either in the short or long term, which can bring a number of potential financial and emotional benefits.

Keeping your home means you can return should you desire to do so, making Aged Care decisions less stressful. It also reduces complexity for families in trying to determine how care will be funded.

Financially, it allows homeowners to sell the home when they are ready to do so, which doesn't necessarily coincide with when they require Aged Care. Some of our customers decide to renovate the property first, wait until the market is doing well or generate income from renters.

The value of the house is capped at \$157,000, which can help reduce your Means Tested Care Fees, and there is no capital gains tax on property growth for six years after exiting.

This is intended as a brief introduction to this complex area and does not delve into all the nuances of the sector. However, if you would like more information please do not hesitate to call or email us, and we can either assist or introduce you to an expert in your local area.

# Butternut Pumpkin Soup with Cheesy Croutons



**Serves:** 8    **Prep time:** 15 minutes    **Cook time:** 40 minutes

Add a generous splash of olive oil to a large saucepan and place over medium heat. Once the oil is nice and hot, add the onion, garlic, celery, carrot, rosemary leaves, chilli, salt and pepper. Reduce the heat and cook gently for about 10 minutes, until the vegetables are soft. Now add the butternut pumpkin and stock, bring it to the boil and then simmer for around 30 minutes.

Once the pumpkin is soft, blend your soup with a stick mixer or blender until it is nice and smooth. Season to taste. If you're feeling particularly hungry, you could add cooked pearl barley, pasta or a can of lentils.

## Croutons

Prepare your croutons before blending your soup, so you can serve them fresh out of the oven.

To make the croutons, drizzle the bread with olive oil and sprinkle a liberal helping of grated cheese on top. Place under a heated grill until the cheese is melted.

## To serve

Pour into bowls and place a few of your cheesy croutons on top. Delicious!

## Ingredients

### For the Soup:

- Olive oil
- 2 red onions, peeled and chopped
- 2 sticks celery, trimmed and chopped
- 2 carrots, peeled and chopped
- 4 cloves garlic, peeled and chopped
- 2 sprigs fresh rosemary, leaves picked
- ½ - 1 fresh red chilli, deseeded and finely chopped (optional)
- Salt & Pepper
- 2 kg butternut pumpkin halved, deseeded and cut into chunks
- 2 litres chicken or vegetable stock

### For the croutons:

- Extra virgin olive oil
- 16 slices of bread (a dense bread or ciabatta is good)
- A good-sized portion of cheese for grating (parmesan is good)

# We would love to hear from you!

At Heartland Seniors Finance, we are always striving to improve our service to you, so we appreciate your feedback to let us know how we're doing and what we could do better.

— Win! —



We'll send a \$25 Coles Group Gift Card to the first ten respondents who return a completed survey. Send your survey free of charge (no stamp required) to the address at the bottom of the form.

Please rate your satisfaction on the topics listed below out of 10 (10 being extremely satisfied, 5 being somewhat satisfied and 1 being not satisfied at all).

Our Customer Service	What is your overall satisfaction rating of the product and service provided by Heartland Seniors Finance?	1	2	3	4	5	6	7	8	9	10		
	How satisfied are you with our customer service levels when contacting our office?	1	2	3	4	5	6	7	8	9	10		
	How would you rate the following when dealing with our Customer Service team?												
	Knowledge and competence	1	2	3	4	5	6	7	8	9	10		
	Managing your needs/requests	1	2	3	4	5	6	7	8	9	10		
	Professionalism	1	2	3	4	5	6	7	8	9	10		
	Courtesy	1	2	3	4	5	6	7	8	9	10		
	Friendliness	1	2	3	4	5	6	7	8	9	10		
	Willingness to help	1	2	3	4	5	6	7	8	9	10		
	Do you have any other comments concerning our Customer Service Team?												
How can we improve our service to you? Please specify:													
How likely would you be to refer your friends and family to Heartland Seniors Finance? (please tick one)	<input type="checkbox"/>	I already have	<input type="checkbox"/>	Highly Likely	<input type="checkbox"/>	Likely	<input type="checkbox"/>	Highly Unlikely					
Our Newsletter	Do you find our <i>Advantage</i> newsletter valuable in its current format?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No								
	What aspects of both our newsletters have been of interest to you?	<input type="checkbox"/>	Information about the Lifetime Loan	<input type="checkbox"/>	Product updates	<input type="checkbox"/>	Recipes	<input type="checkbox"/>	Government and regulation updates	<input type="checkbox"/>	Industry updates	<input type="checkbox"/>	Quiz
	How would you like to see the newsletter improved? Please suggest items that would be of interest to you in terms of the content in <i>Advantage</i> ?	<input type="checkbox"/>	Technology ideas	<input type="checkbox"/>	Company updates								

Please return this form to our free postal address: Heartland Seniors Finance, Reply Paid 18134, COLLINS STREET EAST VIC 8003

Name:

Loan Number:

## Contact us

Level 9, 63 Exhibition Street, Melbourne, Vic, 3000

Phone 1300 889 338 Fax 03 9661 0909

Website [www.seniorsfinance.com.au](http://www.seniorsfinance.com.au) Email [enquiries@seniorsfinance.com.au](mailto:enquiries@seniorsfinance.com.au)

**HEARTLAND**  
— Seniors Finance —

**Important Notice** - Applications for a Lifetime Loan are subject to Australian Seniors Finance Pty Ltd's (ACN 108 875 636/ Australian Credit Licence No.386760) loan approval criteria. Terms and conditions will be included in any loan offer. Fees and charges apply. Credit provided by ASF Custodians Pty Ltd (ACN 106 822 780/ Australian Credit Licence No.386781). Any advice given does not take into account your objectives, financial situation or personal needs so please consider whether it is appropriate for you.