



Will I still own my own home?

Yes, you will always own your home and continue to live in it for as long as you choose. The loan is only due to be repaid when all borrowers have moved permanently from the property. Usually the loan is repaid from the proceeds of the sale of your home with sale proceeds remaining, after the loan is paid out, going to yourself or your beneficiaries just like a normal home loan.

You may also benefit from any potential increase in capital growth.

How is my home valued?

To establish the value of your home and calculate how much you will be able to borrow, the reverse mortgage provider will usually arrange for a registered valuer to visit your home and assess its value and condition.

How and when do I repay my loan?

Typically with a reverse mortgage, you do not need to make regular repayments. The value of your reverse mortgage, plus interest, applicable fees and costs is only due to be repaid when you move permanently from your home. Although a reverse mortgage is designed to last for as long as you remain in your home, you may repay your loan in full, at anytime (a discharge fee will apply) or repay part of your loan without penalty, providing you with flexibility to manage your finances.

Is there a risk I will end up having to repay more than the net sale proceeds of the property?

As long as you observe the terms and conditions of the loan, the loan repayment amount should never exceed the net sales proceeds of the property.

Will a reverse mortgage affect my other financial arrangements?

A reverse mortgage may have direct impact on the age pension. It is recommended you contact Centrelink to discuss any impact taking a reverse mortgage may have on your pension or other Government entitlements.

Can I increase my loan amount?

Normally yes, but it will depend on your circumstances. The lender will consider your application taking into account the age of the youngest person, the current property value and the total loan balance, at the time of application.

What if I move house?

If you move to another house you can repay your existing reverse mortgage and apply for another loan on your new home.