



Heartland Reverse Mortgage Application Form

HEARTLAND
REVERSE MORTGAGES



Heartland Reverse Mortgage Application

Please confirm your application type:

Standard Reverse Mortgage Secondary Property Loan (investment or holiday home)

1. Residents and ownership

Nominated residents are those who reside in the property over which the Heartland Reverse Mortgage will be held. Note that each nominated resident needs to be at least 60 years old.

1.1 Nominated resident 1

Mr Mrs Miss Ms Other (please specify) Date of birth dd / mm / yyyy

First name(s) in full _____

Surname _____ Preferred name _____

Contact details:

Home phone _____ Work phone _____

Mobile phone _____

Email address _____

1.2 Nominated resident 2 (if applicable)

Mr Mrs Miss Ms Other (please specify) Date of birth dd / mm / yyyy

First name(s) in full _____

Surname _____ Preferred name _____

Contact details if different to Nominated resident 1):

Home phone _____ Work phone _____

Mobile phone _____

Email address _____

1.3 Other residents (if applicable)

Does anyone else live in the property? Yes No If Yes, please complete details below.

Name	Date of birth	Relationship to nominated residents
_____	<u>dd / mm / yyyy</u>	_____
_____	<u>dd / mm / yyyy</u>	_____

1.4 Property ownership

Is the property owned by a Trust? Yes No If Yes, please complete Trust details below.

If the property is owned by a Trust, the trustees will be borrowers under this loan.

Name of Trust _____

Trustee 1 _____ Liability Full Limited

Trustee 2 _____ Liability Full Limited

Trustee 3 _____ Liability Full Limited

Trustee(s) address _____

If No, who are the registered owners of the property? (as per the property title)

Name _____

Name _____

Name _____

1.5 Alternative contact (in case we need to contact you but are unable to do so)

Mr Mrs Miss Ms Other (please specify) Name _____

Address _____ Postcode _____

Home phone _____ Work phone _____

Mobile phone _____

Email address _____

Relationship to you _____

2. Property

2.1 Address information

Current address:

Street and number _____

Suburb _____ City or town _____ Postcode _____

Security address: (if different than above)

Street and number _____

Suburb _____ City or town _____ Postcode _____

2.2 Outstanding mortgage

Is there any money owed or charges on the title of the property? (e.g. mortgages, caveats or other charges)

Yes No If Yes, amount owing \$ _____

- A copy of a statement from the lender of the balance owing must accompany this application form.
- If you are receiving the accommodation supplement benefit to assist with your existing mortgage repayments, please check your continued entitlement.

2.3 Property details

Title Freehold Cross lease Other _____

Type House Flat/Unit Apartment Other Lifestyle block: Land area (acres/hectares) _____

Condition of the property: Good Average Poor

Cladding of dwelling: Brick/Stone/Concrete Timber Plaster coated/Monolithic Other _____

Year built (estimated) _____ Zoning: Residential

Have you made any alterations or additions to your home? Yes No

If Yes, do you have a Code of Compliance? Yes No

- Any issues with the title or land, or structural or weather tightness issues with the dwelling, may require further investigation.
- Your land area cannot exceed 5ha.

2.4 Property use

Is the property used as a business? Yes No If Yes, please provide details below.

Is GST payable on the sale of the property? Yes No If Yes, are you GST registered? Yes No

Is any part of the property rented, able to be rented or on a fixed term lease? Yes No

If Yes, please provide details below.

2.5 Rates and insurance

Are you up to date with your rates payments? Yes No

If No, please provide details of the rates amount owing \$ _____

Have you applied, or are you applying for any rates deferrals? Yes No

If Yes, please provide details and amount below. (This does not include any rates rebate you may be entitled to)

Details _____ Amount \$ _____

Do you have a Home Insurance Policy? Yes No

If Yes, which company do you hold your home insurance with, and what is the sum insured?

Company _____ Sum insured \$ _____

Are you up to date with your home insurance policy premiums? Yes No

2.6 Property valuation

Rateable valuation of the property (if known) at dd / mm / yyyy \$ _____

Please advise your estimate of the current market value \$ _____

We will arrange to have your property valued. **The cost of this valuation will be charged to your loan, or if your loan does not go ahead, will be charged to you. Please acknowledge you have read this statement.**

Initial _____ Initial _____

3. Loan details

3.1 Loan amount

How much do you want to borrow initially? \$ _____

See fact sheet for minimum and maximum amounts and percentages.

3.2 Cash reserve facility

A cash reserve facility enables you to make future draw downs on your loan and can help you to manage future borrowing needs including unexpected expenses, healthcare or day to day living expenses.

You are not required to draw on your cash reserve facility, and you will not be charged anything unless you decide to draw on this facility.

Do you want to set up a cash reserve facility that will allow you to apply for further funds in the future? (If Yes, please answer the question below) Yes No

Would you like the maximum available cash reserve facility limit? Yes No

OR a limited facility amount? Yes No

If so, how much \$ _____

If available, I want a regular monthly advance (min \$300/mo)

Amount \$ _____ Years _____ (min 5, max 10) _____

3.3 Loan purpose

What do you intend to use the loan for?

The information below is just an indication. You will not be bound by these amounts.

Purpose for borrowing:

- Home maintenance/repairs/improvements \$ _____
- Replacing car \$ _____
- Paying off existing mortgage, credit cards or other debts \$ _____
- Healthcare needs \$ _____
- Additional income/day-to-day living expenses, rates, house insurance \$ _____
- Holidays \$ _____
- Purchases for the home \$ _____
- In-home long-term care \$ _____
- Gifts to family \$ _____
- Other (please specify) \$ _____

If the funds are to assist with a house purchase, please provide a copy of the purchase agreement, which must be subject to finance to allow time to obtain a valuation (approx. 2 weeks) to assess approval.

3.4 Interest rate

Interest is calculated daily on the loan balance and is compounded and added to the loan balance monthly. The interest rate is variable and will fluctuate with market movements. Current variable rate _____ %.

3.5 Equity Protection Option

Under the Equity Protection Option you may choose to protect a percentage of the eventual net sale proceeds of your home (up to 50%). When your loan is repaid, you or your estate are guaranteed to receive your chosen equity protection percentage.

For example: You choose to protect 25% of your home and the net sale proceeds when you sell are \$500,000. As long as you meet your obligations under the loan, the maximum that you or your estate would be required to pay us would be \$375,000, even if the loan balance on your loan was higher than this amount.

The property value will be reduced by the percentage chosen before calculating the maximum loan amount available.

Do you wish to protect a portion of the equity in your home? Yes No

If Yes, please specify the portion you wish to protect (maximum 50%) _____ %

4. Statement of financial position

Please provide below a statement of your current financial position.

Assets (what you own)		Liabilities (what you owe)	
Home	\$ _____	Mortgages	\$ _____
Cars	\$ _____	Credit cards	\$ _____
Bank accounts	\$ _____	Hire purchase/store accounts	\$ _____
Investments/KiwiSaver/superannuation	\$ _____	Bank overdraft	\$ _____
Other assets	\$ _____	Other creditors/loans	\$ _____
TOTAL ASSETS	\$ _____	Other liabilities	\$ _____
		TOTAL LIABILITIES	\$ _____
		NET (assets minus liabilities)	\$ _____

Income (monthly)		Expenses (monthly)	
Wages/salary	\$ _____	Mortgages/rent payments	\$ _____
NZ Superannuation	\$ _____	Hire purchase/credit cards	\$ _____
Annuities/pensions	\$ _____	Rates	\$ _____
Interest/dividends	\$ _____	Home insurance	\$ _____
Rental income	\$ _____	Body Corp	\$ _____
Other income	\$ _____	Other expenses (utilities, food, car)	\$ _____
TOTAL INCOME	\$ _____	TOTAL EXPENSES	\$ _____

5. Your understanding

These questions are designed to ensure that you have considered the personal impact of taking out a reverse mortgage, both now and in the future. At Heartland, we believe it is important that a reverse mortgage is right for you, and that you have considered other options in making your decision to apply for a loan.

5.1 Loan documents and fees

Have you (and the owners if different) received and read the Heartland Reverse Mortgage brochure and fact sheet? Yes No

It is important you understand how the Heartland Reverse Mortgage works.

Do you (and the owners if different) understand the initial setup costs, further draw down fees and mortgage discharge fee? Yes No

See fact sheet for details.

I have signed and understand the loan projection provided to me.

5.2 Your family

Is your family aware of your application for a Heartland Reverse Mortgage? Yes No

Taking out a Heartland Reverse Mortgage is an important decision – and we recommend you talk to your family.

If No, please advise your reasons for choosing not to talk to them.

5.3 Legal advice

Do you (and the owners if different) understand and agree to see your solicitor(s) to obtain independent legal advice, at your cost, when signing any loan offer we make? Yes No

Please provide your solicitor's details below.

Mr Mrs Miss Ms Other (please specify) Name _____

Company name _____

Postal address _____ Postcode _____

Email address _____

Phone _____

5.4 Independent financial advice

Heartland recommends you seek independent financial advice on the Heartland Reverse Mortgage.

Have you consulted an independent financial adviser? Yes No

Please provide details below of who you have consulted, or why you have decided not to seek independent financial advice.

5.5 Moving in the future

If your circumstances change, and you wish to move in the future, do you understand and agree to the following? Yes No

- You may have to repay the Heartland Reverse Mortgage.
- You may be able to transfer the loan to a new property. However, we will review this as a new loan and take into account, amongst other things, the value of your new property and the current loan balance of your Heartland Reverse Mortgage.
- There will be additional cost involved in transferring your loan.

In such a situation, to ensure you are able to transfer your loan from one property to another, you must make any purchase offer subject to finance and consult Heartland. See fact sheet for costs, and also consider real estate fees, solicitors' fees and moving costs.

5.6 Your other options

At Heartland, we believe it is important that a Heartland Reverse Mortgage is right for you, and that you have considered other options in making your decision to apply for a loan. Please provide details below about why the following alternatives may or may not be viable for you.

Options:	Details (required):
– Downsizing	
– Using other assets	
– Standard bank loan	
– Family assistance	
– Using savings/investments	
– Other	

5.7 Future needs

Drawing all or the majority of your entitlement at the outset may impact on your ability to meet possible future financial needs and objectives. These questions are designed to ensure you have considered what you may require funds for in the future.

The loan projections which will be provided to you are intended to provide you with a guide of the impact of the reverse mortgage on the equity in your home.

We encourage you to review all these questions carefully.

Have you considered the implication taking out this loan will have on your ability to leave equity in the property to your estate in the future? Yes No

Have you considered any other future funding needs including in home care and support, medical costs, property maintenance, funeral expenses and unexpected emergencies? Yes No

Is it important to you to ensure you have equity remaining when you sell the property, or in your estate? Yes No

If Yes, we recommend you consider Heartland's Equity Protection Option.

DO YOU UNDERSTAND:

– Drawing all or the majority of your entitlement at the outset, or increasing the size of your loan, may reduce your ability to apply for additional funds or move to another property or a care facility in the future. Yes No

– What compounding interest means and the effect it will have on your loan balance and the equity remaining in your home when sold? Yes No

Heartland encourages you to only borrow what you need.

As part of Heartland's assessment of your loan, we will call you to discuss your future needs to ensure that your loan is structured to your requirements and objectives, both now and in the future.

5.8 When the loan becomes due for repayment

Do you understand that the loan balance will become due and payable 12 months after the last nominated resident no longer resides in the property? Yes No

This could be because you have moved house, moved into a retirement village or have passed away.

5.9 Once a loan is in place

Once a loan is in place, please confirm that you (and the owners if different) understand the following. Yes No

- The property cannot be leased and no other charge can be placed on the title, without Heartland's consent.
- It is the nominated residents' (and owners' if different) responsibility to ensure home insurance premiums and rates are kept up to date and the property maintained to a reasonable standard.
- Any structural changes to the property must have Heartland's consent prior to commencement of the alterations.
- A questionnaire about the property, house insurance, rates and occupancy is required to be completed and returned to Heartland annually.
- You must abide by the terms and conditions of the Heartland Reverse Mortgage in order for the guarantees described in the brochure and fact sheet to remain in place.

6. Secondary Property Loan

Complete if this application is for a Secondary Property Loan. Please detail why the primary residence is not being used as security: _____

DO YOU UNDERSTAND:

– That under a Secondary Property Loan, the loan balance will become due and payable when the security property is sold or the last Nominated Borrower no longer resides in their owner occupied home (or primary residence). This could be due to moving house, moving into a retirement village, aged care, or death. Yes No

– If you wish to transfer either the loan's security or your owner occupied home (or primary residence) to a new property it will be subject to Heartland's loan approval criteria, and terms, fees and charges will apply. Yes No

7. Declarations

7.1 Privacy summary

We can ask for information about you in accordance with the Privacy Act 2020 and our privacy statement, and we may not be able to provide you with products or services if you do not provide that information.

That information may be used by us:

- to consider this application for an account or service including to establish and verify your identity and to assess your credit worthiness and financial position for time to time.
- to consider any future application for products or services which involves you.

We can also use it:

- to administer and monitor products or services provided to you
- to comply with legal and regulatory requirements (including identity verification requirements)
- to provide you with information about other products or services, including those of selected third parties; and
- generally, to develop and run our business as we see fit from time to time.

You agree that – for those purposes – we can provide information about you to, and obtain information about you from, other organisations or people we consider appropriate. Those organisations might include our service providers, other financial and insurance institutions, government departments, your employer or accountant and third parties for the purposes of fraud prevention, identity verification, and any other purposes relevant to those purposes (those third parties may retain information and use it for identity verification and fraud detection purposes).

We may also exchange information about you (including default information) with credit reporting agencies on an ongoing basis. Those agencies may retain that information and provide it to other customers who use their credit reporting services.

You have rights to access and request correction of your personal information under the Privacy Act 2020.

You also agree to be contacted by us to discuss any application for any product or service and to discuss any other product or service provided by us, unless you opt-out using the tick box below.

If you do not wish to receive marketing material about Heartland products, please tick this box

Our privacy policy can also be found on our website at www.heartland.co.nz/reverse-mortgage

7.2 Financial advice

You are protected by responsible lending laws. Because of these protections, the recommendations given to you about Heartland loans are not regulated financial advice. This means that duties and requirements imposed on people who give financial advice do not apply to these recommendations. This includes a duty to comply with a code of conduct and a requirement to be licensed.

7.3 I/We agree and declare that:

1. I am a New Zealand permanent resident or I am a New Zealand citizen.
2. All people residing in the property have been disclosed on this application form.
3. If Heartland arranges for a current value to be obtained on the property, this report is intended solely for the purpose of Heartland in considering this application.
4. I/We apply for the Heartland Reverse Mortgage according to the terms and conditions applicable.
5. The Heartland Reverse Mortgage will be available only on the approval of Heartland.
6. I/We have read and understood this application and agree to personal information being collected and used with in accordance with the above privacy summary and the Heartland Reverse Mortgage privacy policy, a copy of which is available at www.heartland.co.nz/privacy-statement
7. All information provided to Heartland is correct, complete and not misleading.

If there is anything in this application form, or in our brochure and fact sheet, that you do not understand, or that raises further questions, please ensure you seek clarification before signing.

7.4 Signatures (including all nominated residents and/or trustees)

Name _____ Signature _____ Date dd / mm / yyyy

Name _____ Signature _____ Date dd / mm / yyyy

Name _____ Signature _____ Date dd / mm / yyyy

Name _____ Signature _____ Date dd / mm / yyyy

8. Checklist and application

8.1 Application supporting documents

Thank you for choosing Heartland as your reverse mortgage provider.

In order to assess your application, we will require certain documents from you, in addition to the completed loan application form.

If you are unable to provide any of the below documents, please contact your Reverse Mortgage consultant on **0800 488 740**.

Identification

To confirm the date of birth, legal name of each applicant, trustees and any person authorised to sign on behalf of any applicant under a Power of Attorney, a copy of certified identification is required.

Examples of acceptable documents:

- current certified copy of your drivers licence or your passport.

Personalised projections

Please sign and date both copies of your personalised projections.

Rates notice

A copy of the latest rates notice for the security property.

Insurance

A copy of the latest test insurance renewal notice for the security property, including your monthly or annual premium.

Proof of income

If applicable:

- current bank statement, including account name, for the last 2 months
- payslips for the last 2 months.

Debt information

If applicable, a copy of the latest statements for any debts/loans to be repaid at settlement statements need to confirm the following information:

- account name
- current balance of debt.

Purchase agreement

If applicable, a copy of the purchase agreement for the property being purchased and evidence of funds to complete purchase.

Body corp

If applicable, a copy of the most recent body corp minutes.

8.2 Where to send your application

Please send this application form and your supporting documents to:

Heartland Reverse Mortgages
PO Box 9919, Newmarket
Auckland, 1149

Alternatively, you can:

Scan and email it to reverseinfo@heartland.co.nz

If you have any questions about the Heartland Reverse Mortgage, or would like assistance completing this form, please call us on **0800 488 740**.

Who is your Reverse Mortgage consultant? _____

Get in touch

Call us TOLL FREE 0800 488 740
reverseinfo@heartland.co.nz

Heartland Reverse Mortgages
PO Box 9919, Newmarket
Auckland, 1149



Come and check us out
on our Facebook page
www.facebook.com/HeartlandBankNZ