

Lifetime Loan Fact Sheet



Effective: 1 July 2010

Please retain this insert for future reference

Product Details:

Lump sum release – initial and additional drawdowns

Availability:

Borrower(s) and / or Nominated Resident(s) aged 60 or over (maximum of two).

Purpose of Loan:

Any Purpose

Setup Costs:

Arrangement Fee	\$1195
Valuation Fee	\$ 545 (payable on application)
Your Legal Fees	Check with your solicitor

Interest Rate:

7.10% per annum variable¹

Fixed rate currently unavailable

Sentinel aims to maintain the variable rate at approximately 1.5% above the major banks' variable mortgage lending rates. Sentinel's Margin Cap guarantees that, at each review, the interest rate will never exceed 5% above the 90 day bank bill rate.

Guarantee:

Sentinel Loan Repayment Guarantee (see brochure for details). A 15 day free look period applies from the time of signing the application form.

Minimum Loan:

Initial Loan	\$ 10,000
Further Drawdowns	\$ 5,000

Maximum Loan:

Initial maximum drawdown	\$ 60,000
Maximum Loan amount	\$250,000

Property Value:

Minimum	\$150,000
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Equity Protect:

An equity protect amount of 10% or 20% of the value of your property can be stipulated (see brochure for details). A fee of \$295 may apply on setup.

Early Repayment:

There are NO early repayment charges with Sentinel's variable interest rate option.

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¹ Compounded and added to your loan monthly

The amount you can initially borrow is calculated as a percentage of your home's value based on your age, beginning at 15% of your property value from age 60 to a maximum of 45% at age 90. Over time you may choose to come back to us to increase the percentage you are able to borrow. At that time we will review your age, property value and the current balance of your loan to assess your capacity to borrow more.

The following table shows examples of the maximum borrowing entitlement at a number of different ages.

Age of Youngest Borrower	60	67	71	75	83	87	90 and over
Maximum % of Home's Value Available	15%	22%	26%	30%	38%	42%	45%

Further Drawdown Fees:

Drawdowns from Express Top Up Facility \$125
 Further Advance Fee \$295 (plus re-valuation if req.)

A Further Advance Application takes into account your new age, possible increase in property value and accumulated interest and charges (see brochure for full details)

*Applications to increase Express Top Up Facility are allowed at any time, subject to prevailing terms and conditions

Property Criteria:

Must be of conventional construction and in good repair, mortgage free (or use part of the loan to repay any outstanding mortgage) and if leasehold on terms and conditions acceptable to us. Further lending criteria may apply, and lending is subject to a satisfactory title search of the property.

Portability:

You may be able to transfer some or all of your loan to a new property, subject to the value of the new property and the balance of your loan. Transfer to a retirement village will be subject to the terms and conditions of the Sentinel Retirement Village Lifetime Loan. Please speak to your Sentinel adviser for details.

Fees:

There are no on-going fees with the Sentinel Lifetime Loan. Should you choose to vary your loan, a one-off fee will apply.

Variation of the loan \$295
 Mortgage Discharge \$395

It is important to make sure that the **Sentinel Lifetime Loan** is right for you. You must seek independent legal advice and we recommend that you seek qualified, independent financial advice. You may also want to discuss your options with your family. The Office for Senior Citizens has introduced a Code of Practice for Home Equity Release. You may download a copy of the Code from the Sentinel website, or we will gladly send you a copy on request.