



Information Guide

Since 2005, **Homesafe Wealth Release™** has enabled older Australians to access the equity built up in their homes – debt free!

With a Homesafe Contract, Homeowners can access the equity in their home and receive **a cash amount, in exchange for selling an agreed (and capped) share of the future sale proceeds of their home** to Homesafe.

Eligibility Criteria**		Other Information
Age of Homeowner(s)	All homeowners are at least 60 years of age in Vic, or at least 55 years of age in NSW (where at least one Homeowner in NSW is at least 60 years of age), at the date of your Contract with Homesafe.	The cash amount available to you and the relevant calculated Sale Interest are dependent on your age(s) and gender.
Eligible Postcode	Your home is within an eligible postcode area at the time of your enquiry.	Homesafe is currently available in approximately 90% of metropolitan Melbourne and Sydney postcode areas.
Eligible Property Type	If your home is principally free-standing, or if a Unit or Strata property, there are no more than 6 dwellings (sitting on the 'ground') on the Title Plan	Semi-detached homes are reviewed on a case by case basis. Apartments/high rise/multi level developments, are currently ineligible.
Principal Place of Residence	Your home is your principal place of residence at the date of your Contract with Homesafe.	Investment properties are ineligible.
Ownership on the Certificate of Title for your home.	All permanent residents and owners of your home are shown as owners (or have an interest) on the Certificate of Title.	Persons residing can be added to Title at the time of the transaction if not on Title at the time of enquiry. Third party residents will be assessed at the time of enquiry.
Land Value Component	The land value of your property is 60% or greater of the total market value of your home.	As determined by an Independent Homesafe Panel Valuer at the beginning of the enquiry process.
Clear Title	There is no debt registered on your Title as a mortgage or an existing mortgage can be discharged before, or at the time Homesafe contracts with you.	Second registered mortgages are not permitted after transacting with Homesafe

****The above table includes the main eligibility criteria for a Homesafe Contract however there may be other investment criteria which may be assessed at the time of your enquiry. Your Homesafe Consultant will provide further information once your enquiry has been reviewed by Management.**

General Information about the Homesafe Contract

<p>Why is Homesafe not a loan and how is it different to a Reverse Mortgage?</p>	<p>Homesafe Wealth Release is a debt-free equity release solution and is a part-sale of the future sale proceeds of your home. Homesafe does not lend money to homeowners, but instead buys a share of the future value of your home. There are no capitalising interest charges as there is no interest rate applicable, there are no repayments, and the transaction occurs using a Contract of Sale. Only after you have passed away or you voluntarily sell your home, would Homesafe be entitled to its investment in your home.</p>
<p>Am I selling a part of my home to Homesafe?</p>	<p>No. Homesafe does not buy a part of your "home". You retain 100% ownership of your home on the Title. Homesafe is offering to pay you a cash sum today so that it may be entitled to receive a share of the future sale proceeds of your home when you eventually sell.</p>
<p>So do I remain the legal owner of my home?</p>	<p>Yes, - you remain the legal owner of your home and your ownership rights do not change. Homesafe will register a Mortgage on the Title so when you sell your home, Homesafe is guaranteed to receive its share of the sale proceeds, at that time.</p>
<p>Do you take my Title Deeds?</p>	<p>Homesafe will register a Mortgage on your Title. The Homesafe Mortgage is not a loan mortgage - it is a "signal" to someone who looks at your electronic Title that Homesafe has an interest in your home. This is needed as you may not recall your Homesafe Contract, or you may have passed away, when your home is eventually sold. Since 2022, all property Titles ('deeds'), which confirm property ownership in Australia, are held electronically by mortgagees in PEXA and therefore paper Titles are no longer valid. Your Solicitor will be able to assist you with any questions in this regard.</p>
<p>If I receive 40% of the value of my home today, does that mean I am selling Homesafe 40% of the future value of my home?</p>	<p>No, as Homesafe is buying a share of the sale proceeds when you eventually sell your home and neither you nor Homesafe know today when you will sell your home and for what price, Homesafe needs to make some assumptions about when this will occur. The "Sale Interest" is not the same as the percentage of your home's value today which is paid in cash. The difference between the Sale Interest percentage in future compared to the equivalent share of the value Homesafe provides you today is your Early Sale Rebate.</p>
<p>What is the Early Sale Rebate & the Excess Proceeds Rebate?</p>	<p>An Early Sale Rebate may be available to you under the Homesafe Contract when you sell your home earlier than anticipated. As Homesafe has assumed a long-term transaction with you, and has calculated its Sale Interest accordingly, if this does not eventuate, the Homesafe share of sale proceeds may be reduced given the early sale. The Excess Proceeds Rebate may be available if you sell your home for a sale price which is significantly higher than market rates or expectations.</p>
<p>When I sell my home, is that when Homesafe receives the share I have sold?</p>	<p>In principal yes, however Homesafe may receive less than the share you have sold. Depending on when you sell your home and for what price you may be entitled to an Early Sale Rebate which will reduce the share received by Homesafe, if you have sold earlier than when Homesafe assumed you may sell.</p>
<p>When I sell my home, can Homesafe receive more than the share of the future sale proceeds I have agreed to sell?</p>	<p>No. Homesafe is not entitled to any more of the sale proceeds than the percentage you have sold to Homesafe. The share of the sale proceeds you have not sold to Homesafe is always protected and will be retained by you (or your Estate) on the sale of your home.</p>

FAQ – Before your Homesafe Contract

How much can I access in cash from Homesafe Wealth Release?	The amount of the cash amount will depend on the age(s) and gender(s) of the Homeowners, the value of the home today and the minimum and maximum limits Homesafe can advance.
Can I "draw-down" the amounts I need over time?	No, the Homesafe Contract is a single cash payment and the entire amount for the share is provided to you at the time we enter into a Contract with you. You can enter into more than one Homesafe Contract, and therefore access further amounts in future, if the total share of the future sale proceeds sold to Homesafe does not exceed 65%.
What is the minimum and maximum cash I can receive from Homesafe?	Subject to your age(s), gender(s) and the confirmed value of your home, the minimum amount you can receive from Homesafe is \$25,000 (plus fees). The maximum amount available is \$1,500,000 however this must not equate to selling more than 65% of the future sale proceeds of your home.
Do I need to discharge my existing loan or line of credit with my bank?	Yes, Homesafe will require a clear Title in order to enter into a Homesafe Contract with you. This will mean that you will either discharge these facilities or loans before entering into a Homesafe Contract or you will use the Homesafe amount to do this simultaneously at the time the transaction with Homesafe takes place.
Do I need to obtain legal advice?	It is a mandatory requirement for you to engage an independent legal representative to assist you with, and provide you independent advice regarding the Homesafe Contract and they will liaise with our Solicitors when it comes time for the preparation and signing of the Contract.
Do I need to obtain financial advice?	It is not a mandatory requirement for you to seek financial advice before transacting with Homesafe, however we encourage you to speak with Centrelink if you have some questions about the impacts regarding the amount of cash you receive from Homesafe.
How long does the process take until funds are available?	The Contract process for a Homesafe Contract can take 8-10 weeks to complete, depending on the complexity of the information involved.
What fees and charges apply and are there ongoing fees?	The initial transaction will incur a <u>one off fee of \$1,790</u> (<i>depending on the value of your home</i>) and includes a documentation and valuation fee. The fee is included in the contract amount so you do not need to pay this separately and is received by Homesafe at the time the transaction takes place. The fee for a subsequent Contract is less than the fee paid for the first Contract with Homesafe. There are no ongoing fees with a Homesafe Contract.
How many times can I transact with Homesafe?	You can enter into additional Homesafe Contracts as many times as you like, so long as the total share of the future sale proceeds you sell to Homesafe does not exceed 65% and each subsequent transaction is for an amount no less than \$10,000.
Why will my home be valued before I can access the funds?	In order to progress your enquiry and for Homesafe to calculate the agreed share of the future value of your home, a Valuation is required to confirm the value today. No other Valuations are required to be undertaken while your Homesafe Contract is in place, until the end of your Homesafe Contract when you decide to sell.

FAQ - After you have entered into a Homesafe Contract

Will I receive statements from Homesafe?	No, the Homesafe Contract is not a loan. You will not 'owe' an amount to Homesafe. Homesafe is only entitled to its share – either the share sold to Homesafe or less if you are entitled to an Early Sale Rebate – when you sell your home.
Do I have to do anything once I have a Homesafe Contract?	Yes, you need to forward Homesafe a copy of your home building insurance every year, and ensure you keep your Council Rates paid up to date. If you wish to make structural changes to your home, lease your home or sell your home, you must contact Homesafe before doing so.
What happens if either my spouse or I pass away?	This will not affect your Homesafe transaction if both of you are listed on the Contract. If the Surviving Party wishes to change the Title into their own name only, you can ask your legal representative to contact Homesafe with this request.
How do you protect my privacy in future?	Homesafe has strict privacy protocols in place to ensure your personal information remains secure and is not disclosed to unauthorised third parties. Homesafe will only disclose information to your authorised emergency contacts or your Solicitor. If you wish Homesafe to assist other parties, such as a Power of Attorney or a family member, you must provide permission to Homesafe for this to occur. Homesafe will not correspond with your Attorney unless you have provided permission or we receive independent confirmation that you no longer retain decision making capacity.
Am I required to undertake property maintenance to my home once I have transacted with Homesafe?	No – there is no requirement for you to undertake regular maintenance to your home. The only requirement is for your home to be in a presentable and clean condition (at the very least) at the time of sale.
Can I buy-back the share of the future sale proceeds I have sold to Homesafe?	Yes – you can elect to terminate your Homesafe Contract at any time. By doing so you are no longer providing Homesafe with an entitlement to the sale proceeds of your home, so a different discharge calculation may apply. Our Completions Team will be able to assist you with any enquiries.
If I move into Aged Care, does my home need to be sold?	No, there is no requirement under a Homesafe Contract for you to sell your home if you move into aged care. Separate to your Homesafe Contract, you should seek advice regarding the impact on your taxation and financial obligations, should this occur.
What happens when I am ready to sell my home?	When you decide to sell your home, just contact Homesafe (or visit our website via the "Existing Customers" page) who can assist you with the process and provide you with the necessary information to bring your Homesafe Contract to an end.
Can I rent out my home in future?	Yes, you can rent out your home after a Homesafe Contract is in place. When you are ready to do so, you can contact the Customer Contact Centre Team or visit the "Existing Customers" page on our website, and forward Homesafe the relevant information for us to approve the lease/rental arrangement.

Transaction Process Guide

Initial Eligibility Review

Visit our website www.homesafe.com.au or contact our Customer Contact Centre Team who can assist you with any questions regarding Homesafe. To proceed with your enquiry, our Team will request information from you to confirm if you are initially eligible for Homesafe Wealth Release.

Obligation-Free meeting with a Homesafe Consultant

Our Customer Contact Centre Team will organise an appointment for you with a Homesafe Consultant to meet you in your home. Your Homesafe Consultant can answer your questions and provide you with some initial quotations to assist you in understanding how Homesafe Wealth Release can help you.

Valuation of your home

When you are ready to proceed, your Homesafe Consultant will provide you with the necessary documents to progress your enquiry. A Valuation of your home will be organised with a Homesafe Panel Valuer who will provide a market value of your home today. The valuation figure is for the purposes of determining the future Sale Interest and you will receive a copy of the Valuation Report.

Formal Offer Approval

Once a Valuation of your home is completed, Homesafe can then undertake a more detailed review and a Formal Offer is assessed and approved in relation to your enquiry. The Formal Offer will reflect the amount of cash Homesafe can advance to you and the equivalent share of the future sale proceeds Homesafe will purchase in exchange for providing this amount.

Acceptance and Legal Process

Once you have accepted the non-binding Formal Offer, you will then engage your Solicitor to act for you. Homesafe will forward your Solicitor the information they need to provide you independent legal advice and our Solicitors will provide more documentation for their review. Our respective Solicitors will liaise to ensure all the required documents are completed including arranging for any existing mortgages to be discharged if necessary.

Exchange of Contracts (funds are advanced to you)

Once all documents are signed, we book in the "Exchange Date" where the Solicitors will 'meet' in a virtual electronic Titles portal - PEXA - to exchange documents, pass your Title to Homesafe, discharge any existing mortgages and for the net funds to be passed to your Solicitor who will deposit the funds in either their Trust account or a bank account you have provided to your Solicitor. Your Solicitor will provide you with a copy of the signed Contract after exchange.

