

## **REQUIRE SUPERANNUATION FUNDS TO HELP THOSE NEEDING AGED CARE**

The ability to turn some of the equity in a person's home into cash is clearly needed by many of the 78% of pensioners who are homeowners.

The popularity of reverse mortgages has been clearly demonstrated by the 38,000 people who borrowed \$2.8 Billion over four years from 2005 but the supply has shrunk drastically as Banks and other lenders have readdressed funding issues,

Investing for an uncertain period of time has not suited the current banking environment despite the desperate need of the elderly population particularly those needing aged care. The absence of available funds is now a significant problem.

The solution exists in the world of superannuation.

Reverse Mortgages offer high security, simple management and very competitive interest rates.

The uncertain term of investment should be of no concern to fund managers who are holding funds which may not be called on for up to forty years.

Years ago superannuation funds were required to invest 30% of their funds in government securities although the returns were not always the best available and if those superannuation funds holding in excess of say \$1 Billion were now required to support the reverse mortgage need they would be providing a service that would be of great benefit to many elderly Australians.

Lifetime Planning Pty Ltd