

Seniors Money Canada Expands Reverse Mortgage Business Into Western and Atlantic Canada

Company Committed to Healthy Competition and Responsible Consumer Choice

MISSISSAUGA, ON, Jan. 14 /CNW/ - Seniors Money Canada today advanced its goal to be the country's leader in the reverse mortgage industry with the expansion of its operations into Western and Atlantic Canada.

According to Mr. Nick DiRenzo, President & CEO of Seniors Money Canada, the extended network will enable the company to serve the emerging financial needs of more than 4.3 million Canadians, 60 years and older, for whom the greatest asset is their home.

"Canadians are recognizing the value of a reverse mortgage as a thoughtful retirement tool to enable them to remain independent," Mr. DiRenzo said. "The Seniors Money Loan provides older Canadians the opportunity to release some of the equity in their homes to maintain their financial freedom and enhance the quality of their lives."

"The establishment of Seniors Money in Western and Atlantic Canada will encourage healthy competition in the industry, offer consumers more choice, and raise understanding of the responsible role of the reverse mortgage as a retirement product," he said.

Growing Demand

Mr. DiRenzo said seniors are living longer and pursuing more active lifestyles at a time when their homes continue to increase in value. A reverse mortgage allows them to utilize the value they have accumulated in their home to complete meaningful life projects, home improvements, or assist family members to achieve an education. He confirmed that the average loan is approximately \$75,000.

It is anticipated that reverse mortgages will continue to gain popularity in Canada as the number of 60 year-olds doubles over the next 25 years.

- In Canada, 93 per cent of seniors aged 65 and over live in private households. There are 2,351,350 owned households by those 60-plus, and over 60 per cent of them are mortgage free
- British Columbia is home to 815,390 60-plus residents, and over 438,000 of them own their home.
- In Alberta there are 360,000 60-plus residents, and the majority reside in their own homes. In Calgary and Edmonton there are 298,995 60-plus people live, and over 160,000 own their home in those cities.
- Saskatchewan has 193,025 60-plus residents. One-fifth of the 60-plus population lives in Saskatoon and 20,500 own their home there.

- In Manitoba there are 215,640 60-plus residents of which 128,005 live in Winnipeg and 69,000 own their own home there.
- Atlantic Canada has 466,110 60-plus residents. In a recent study conducted by the Atlantic Seniors Housing Research Alliance, 18.8 per cent of respondents said they might consider a reverse mortgage as a solution to financial, health or other difficulties.

The amount seniors can borrow depends on their age and the appraised value of the home. Seniors Money will lend on a scale of up to 15 per cent of the home's value for someone at age 60 and up to 45 per cent at age 90. The variable rate is 7.25 per cent calculated as Bank Prime plus 1 1/4, and is guaranteed to never go above Bank Prime plus 2.0 per cent. Interest is compounded monthly. The loan also comes with no pre-payment penalties and a guarantee that the homeowner or their estate will never have to repay Seniors Money more than the fair market value of the house.

"Seniors around the world have come to realize that a reverse mortgage is a normal and responsible way to access their own money," said Mr. DiRenzo. "No monthly mortgage payments are required until the last borrower permanently moves out of the home. And, the money obtained from a reverse mortgage is also the customer's to use in any way they choose."

Seniors Money will introduce itself to Western and Atlantic Canadians with an integrated marketing campaign beginning this week. Under the theme "Give Yourself a Hand," the consumer advertising will showcase Canadians using the equity they've accumulated in their home to complete meaningful life projects or assist family members achieve an education.

Currently, the Seniors Money Loan is available through Seniors Money consultants and the Mortgage Alliance broker network. The company plans to expand into Quebec later this year.

Seniors interested in learning more about a reverse mortgage can visit the Seniors Money website at www.seniorsmoney.ca, or call the information line at 1-877-755-6550.

Seniors Money Canada

Established in Ontario in August 2007, Seniors Money Canada is a subsidiary of Seniors Money International of New Zealand, a global leader in retirement funding in Australia, New Zealand, Ireland, Spain, and South Africa. Worldwide, the company has more than \$750 million in loans under administration.