



Marlborough Financial Services Limited
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Protecting your life and your lifestyle.

Summer 2007

Dear #First Name#,

Happy New Year!

With the increasing promotion and use of [Home equity release schemes](#) we recently attended a public consultation meeting on the discussion paper 'Home Equity Conversion Schemes' hosted by the Office for Senior Citizens.

While we are pleased that the Government are seeking to engage the public and industry in discussions regarding the need for regulation and minimum standards, we were very disappointed with the poor public turnout and lack of attendance from other financial services providers. We have made a submission to this discussion paper and strongly believe that the best form of protection for users is through being fully informed and getting comprehensive, independent advice from experienced financial advisers.

Following on from this, we also ask the question "[Why do you need a Financial Adviser?](#)" Can you do it yourself? The answer, in short is 'no' - with the increasing range and complexity of financial services available, you should use an expert to [get the best advice](#) for your personal situation.

Again, we hope that you find our newsletter interesting and if you have a friend that would also enjoy reading our newsletter, you can [send them a copy](#) to read.

Kind regards

The team at Marlborough Financial Services

Home equity release schemes

More and more often, we are being asked by clients for information on options to get at the capital tied up in their family home. These are usually known as 'equity release' schemes or 'reverse equity' mortgages.

What is the advantage of these loans?

Many people are now reaching retirement 'asset rich' but 'cash poor', with all their assets tied up in a freehold home but little money to pay for general expenses or luxuries such as travel, change of vehicle etc.

How do they work?

These types of scheme allow people to borrow money against the value of their home, without the need to repay the loan during their lifetime. Interest and expenses accrue against the money loaned and on your death (or, for some schemes, six months after you permanently move into care), the loan provider will require payment of the amount owing (the initial loan plus fees and interest), from the sale proceeds of your property.

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KiwiSaver - a trigger for a personal financial review

In a recent media release, Retirement Commissioner, Diana Crossan stated that "The launch of KiwiSaver..... will be an opportunity for all working New Zealanders to review their personal finances."

"The financial decisions New Zealanders make every day of their working lives impacts on their financial position in retirement. It's critical that they make decisions on workplace saving within the context of their wider financial situation".

Ms Crossan also added that "KiwiSaver is likely to suit some people more than others, and it's important that people consider their options carefully and make decisions that they can afford."

If you have any questions about how KiwiSaver will work for

The borrowed money could be provided in a lump sum to pay for large expenses, or a regular income to pay for ongoing living expenses.

[Read more...](#)

Overcoming the financial impact of illness and injury

With house prices and personal debt levels continuing to rise, many of us have considerably larger home loan repayments and financial obligations than ever before.

But what happens when you lose your ability to earn an income, through illness or injury?

Anything that affects your ability to earn will affect your lifestyle. And your financial responsibilities don't stop just because your income has. On average, New Zealand families have access to enough money to provide only six week's worth of income. After that, if they no longer have a source of income, they start to experience serious financial problems.

Statistics tell us that there is a 32% probability of a male becoming disabled for six months or more, before age 65, and this increases to a 37% probability for females*.

If you were disabled tomorrow, how long would your savings last?

How long could you pay your bills, support your family and meet your day-to-day expenses?

If the answer is "not long", then you need to consider protecting your ability to meet your ongoing expenses, regardless of any future changes to your health. [Read more...](#)

Why do you need a Financial Adviser?

Where would we be without experts? We'd have houses falling down because the owners didn't use an engineer, computers breaking down because no one knew how to maintain them - and a lot of people financially worse off because they didn't get expert financial advice.

A Financial Adviser can provide a professional assessment of your current situation and ongoing advice and monitoring to help you achieve your goals and dreams. A Financial Adviser's role is to help you save money, protect the money and assets you have and build your wealth more quickly.

Why not do it yourself?

You wouldn't do your own dentistry or your own legal work. For the same reason it makes sense to use a Financial Adviser. They have the knowledge, skills and practical experience – and the time to keep up with financial developments and opportunities. Simply put – a Financial Adviser can make it so much easier for you. [Read more...](#)

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you or your business, please [contact us](#) for a full review of your personal financial situation.

Source: Retirement Commission Media Release 2006

NZ in profile - Census 2006 - Quick facts

Some initial figures from the 2006 Census follow:

The NZ population was 4,027,947 million on Census night March 2006

51.2% of the population are female

The average age has increased to 36 years old

Average weekly rent is up 40% to \$224

12.3% of family homes are owned by a trust

18% of people aged 15 and over earn more than \$50,000

Internet access has nearly doubled from 2001 to 60.5% of households

Nearly 75% of us have a cell phone

12 Marlburians speak six languages (80.5% of the population speak only one language)

Source: Statistics New Zealand - Census 2006

Thought for the day

"Take care of your children. They get to choose your retirement home".

-Phyllis Diller

Recommended website

Check out [Statistics New Zealand](#) for further facts from the 2006 Census.

Disclaimer:

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