



Banks bidding on you

New online mortgage marketplace www.fundit.co.nz works like an auction, pitching home-loan lenders against each other in a live web-based bidding war, as they compete for your business by offering better rates and terms. Savvy customers get the best available deals. The system is anonymous, at least until you accept a bid and do the paperwork with the lender.

The website has a clear description of the process, useful information and clever calculators to help you do your arithmetic. With both BNZ and Kiwibank committed to bid on the site, Fundit could really take off in the home loans market.

Global lending

These days people can organise their finances globally. For example, migrants from Europe who still have bank accounts and even property in their home country may be tempted to borrow from an overseas bank to buy a house in New Zealand.

I don't recommend this. While the lending rates from European banks may have an edge over current local rates, the currency exchange rate is volatile and it'll cost you more if it moves against you. There are also tax implications for offshore financial arrangements. Borrow locally, I say.

stream that grows. Dividends from shares are good. Equity release from your home will be an option to consider, leaving less inheritance for your children but giving you the funding to enjoy retirement.

An interesting sideline in David's presentation is that people who see a financial planner generally live 10 per cent longer than others of their age group. No, planners don't sell the elixir of life, but the kind of people who get themselves sorted – which is a product of education, attitude and resources – are the kind of people who have their health in order, too. ■



The long, long sunset

In this age of increasing life expectancy, long-term planning should be a priority, says Finance Editor Susanna Stuart

MY FATHER IN LAW TURNED 80 THIS year and recently he and several male classmates went out to dinner with one of the girls from their high school. She's also aged 80 and the group apparently had a great time. But get this – the woman's mother came too! She's 102.

Longevity is something we should think about when we plan for our future. This was highlighted at a finance conference I attended in Sydney recently, where guest speaker and longevity expert David Williams spoke. As he pointed out, our life expectancy is longer than most of us imagine.

The average life expectancy for an infant female in New Zealand is around 82 years of age, but an average 50 year-old female (having survived childhood and the risks that come with being a

young adult driver) could very well reach age 90.

The long road ahead could be even longer if we eat well, avoid stress, say no to cigarettes and are blessed with good genes. How will you spend 25 to 30 years of retirement? Will you be mentally and physically active? Will you have enough money?

From a financial planning perspective, the best advice is to opt for working longer, but at your own pace. This isn't just about money, it's also about mental and social engagement. The biggest key is to keep healthy. Health dictates everything, and an ounce of prevention can help you significantly reduce your medical expenses as you get older.

When you stop work, find investments that provide an income