

Now&Next



SUMMER 2025
ISSUE 21

What are my options if I'm asset rich and cash poor?



What are my options if I'm asset rich and cash poor?

Rising living costs have made it tricky for many Australians to make ends meet. If you own your own home, you've benefited from rising property prices – but only on paper. If you want more money to live on, we step through five ways to boost your bank account.

1. Borrow against your home

If you want to stay in your home, a [reverse mortgage](#) lets you use your home equity as security to borrow money. Like the name says, it's like a regular mortgage, but in reverse.

Here's how it works according to Moneysmart. Loans generally start at \$10,000, and if you're 60 years old, you can borrow roughly 15% to 20% of your home's value from a commercial lender. For each year over age 60, you can borrow 1% more, so by age 65, this becomes around 20% to 25%.¹

Depending on your age and the lender's policies, you can take the money as a regular income stream, lump sum, line of credit or a combination of these.

2. The Australian Government's Home Equity Access Scheme

The Australian Government enables retirees to access equity in their homes through the [Home Equity Access Scheme](#) – a non-taxable loan available to Australians of pension age or older – regardless of whether they receive a pension.

You can get paid fortnightly, as a lump sum, or a combination of both.

The loan is secured against your home and interest compounds fortnightly at concessional 3.95% per annum² – notably lower than the Reserve Bank of Australia's cash rate of 4.35% and commercial reverse mortgage lenders that charge market rates of interest.³ The scheme includes a 'no negative equity guarantee', ensuring that the debt will not exceed the value of the property.⁴

3. Rent out a room

It's estimated that Australia has about 13 million spare bedrooms, with most of these in homes owned by older Australians.⁵

Given Australia is experiencing a housing crisis, if you have a spare room, you may be able to earn a reliable income from renting it out. There are community schemes that match older Australians with suitable young people or older peers who need housing.⁶



4. Rent out your home for part of the year

If your home is in a desirable location, you may be able to make money by renting out your home on [AirBnB](#) or [Stayz](#) for part of the year. While your home is earning you income, you could house sit or take an extended stay in a low cost location, such as parts of Asia. Even short rentals over peak times like Christmas and Easter may be all you need to make life more financially comfortable.

If this is something you want to consider, research the amount you could earn, investigate [limits](#) on the number of days each year that your home could be rented out,⁷ your local council regulations, any strata rules and insurance.

5. Earn an income from your spare space

If you have some space in or around your home, here are ways it can earn an income for you:

- ▶ Platforms like [Spacer](#) allow you to rent out space, such as a garage, attic or shed for storage. Earn passive income by helping others store their belongings securely.
- ▶ If you have a driveway or garage, you can rent it out for parking. Websites like [Parkhound](#) connect you with people looking for parking options, especially in busy urban areas.
- ▶ Let your yard or driveway be used for storing boats, caravans or trailers.
- ▶ If you have a swimming pool, you can rent it out for private use by the hour through [Swimply](#).
- ▶ Rent out your garage to people who need space for hobbies like woodworking.



How your Count Financial adviser can help

If you need more money to live on, talk to your Count Financial adviser about your options. They'll be able to help you move towards your goals with confidence.

1 Moneysmart, [Reverse mortgage and home equity release](#), accessed 23 December 2024

2 Services Australia, [Home Equity Access Scheme](#), accessed 23 December 2024

3 AFR, [Inflation Australia: what to do if you're asset rich but cash poor](#), 24 May 2024, accessed 23 December 2024

4 Australian Government, [Social Security Guide](#), 9 December 2024, accessed 24 December 2024

5 ABC News, [About 13 million spare bedrooms belonging to older Australians could help ease housing crisis](#), 12 October 2024, accessed 23 December 2024

6 Ibid

7 NSW Government, [Short-term rental accommodation \(STRA\) framework](#), accessed 23 December 2024

The numbers

Reference period: **September 2024**

Total residential mortgages fell \$2.5b (-1.8%) to **138.7b⁹**

Over the twelve months to the September 2024 quarter, the CPI (Consumer Price Index) rose

2.8%¹⁰

Goods debits (imports) rose

\$35m

(0.1%) driven by Processed industrial supplies n.e.s.¹¹

Household saving to income ratio rose to

3.2%

from 2.4%¹²

The seasonally adjusted WPI (Wage Price Index) rose

0.8%

this quarter and 3.5% over the year¹³

Goods credits (exports) rose

\$1,456m

(3.6%) driven by Other mineral fuels¹⁴

This document contains general advice. It does not take account of your objectives, financial situation or needs. You should consider talking to a financial adviser before making a financial decision. This document has been prepared by Count Financial Limited ABN 19 001 974 625, AFSL 227232. Count is 85% owned by Count Limited ACN 126 990 832 (Count) and 15% owned by Count Member Firm Pty Ltd ACN 633 983 490. Count is listed on the Australian Stock Exchange. Count Member Firm Pty Ltd is owned by Count Member Firm DT Pty Ltd ACN 633 956 073 which holds the assets under a discretionary trust for certain beneficiaries including potentially some corporate authorised representatives of Count Financial Ltd. Count and Count Wealth Accountants* are trading names of Count. Count Financial Advisers are authorised representatives of Count. Information in this document is based on current regulatory requirements and laws, as at 1 December 2024, which may be subject to change. While care has been taken in the preparation of this document, no liability is accepted by Count, its related entities, agents and employees for any loss arising from reliance on this document. Count is registered with the Tax Practitioners Board as a Registered Tax (Financial) Adviser. However your authorised representative may not be a Registered Tax Agent, consequently tax considerations are general in nature and do not include an assessment of your overall tax position. You should seek tax advice from a Registered Tax Agent. Should you wish to opt out of receiving direct marketing material from your adviser, please notify your adviser by email, phone or in writing.

CONTACT YOUR COUNT ADVISER AT:

⁹ Australian Bureau of Statistics

¹⁰ Australian Bureau of Statistics

¹¹ Australian Bureau of Statistics

¹² Australian Bureau of Statistics

¹³ Australian Bureau of Statistics

¹⁴ Australian Bureau of Statistics