



KEYSTART



SafetyNet Scheme

Purpose of SafetyNet

The Keystart SafetyNet helps Keystart home owners who are finding it difficult to keep up with their loan repayments through no fault of their own.

Perhaps you have become unemployed, separated from or lost your partner, or maybe you are facing another equally stressful situation in your life.

If an unexpected crisis is making it impossible for you to make your next mortgage payment, your first reaction may be to avoid your creditors.

But this will only make the situation more difficult and could damage your credit rating in the future.

What you **should** do is call Keystart's Customer Relationship Officers **immediately on 1300 361 517** to explain your financial situation and seek our assistance.

SafetyNet can offer financial assistance by reducing your repayments or maintaining your minimum monthly repayments in the short term.

Alternatively, if the problem is longer term, Keystart may take an equity share (if you agree) in your home to reduce the repayments you need to make, and give you time to buy back the equity when you can afford it.

ASSESSING YOUR FINANCIAL POSITION

A Client Relationship Officer will assess your financial situation by asking you to complete a loan review form.

This will determine:

- Your financial position;
- The causes of your financial difficulties;
- The level of your other commitments;
- The period your financial difficulty is expected to last;
- The maximum repayments that you can sustain.

Your Client Relationship Officer is likely to recommend:

- The form and term of the assistance to be offered;
- Any special conditions attached to the recommendations;
- The amount of interest free loan (if applicable);
- The equity shares to be purchased by the Department of Housing and Works (if applicable).

If your financial difficulties are caused by other debts you entered into after taking out your mortgage, you may be referred to an independent Financial Counsellor.

He or she will try to find a viable solution for your difficulties and counsel you on how to avoid falling into the same situation in future.

ASSISTANCE WE PROVIDE

Your Customer Relationship Officer may recommend adopting one of the following three Phases*:

Phase 1

This reduces the repayments you are required to make for a specified period of time to allow you time to recover financially.

Phase 2

Phase 2 is like an evaluation period to see whether you will be able to sustain an arrangement whereby Keystart will take an equity share in your home to reduce repayments and give you time to buy back the equity when you can afford it.

The monthly repayment is based on the projected loan remaining after Keystart has taken an equity share in your home, and is calculated by using no more than 27% of your gross income.

Phase 3

In this phase, Keystart purchases up to a maximum of 30% equity in your property, thereby reducing your interest rate and loan repayments.

A valuation of your home must be completed by a member of the Keystart Valuer Panel before Keystart buys an equity share.

If you have a Keystart home loan and an unexpected crisis in your life has made it impossible to meet your mortgage payments next month, don't put yourself in a position where you may lose your home.

Contact Keystart's Customer Relationship Officers straightaway on 1300 361 517!

WHAT IS KEYSTART?

Keystart is the home loan arm of the Western Australian Government's Department of Housing and Works.

Since 1989, Keystart has provided low-deposit loans to 60,000 households.

In addition to providing SafetyNet assistance, Keystart provides special assistance to Homeswest tenants, people with disabilities, Aboriginal people and Torres Strait Islanders and sole parents to buy and keep their own homes. SafetyNet assistance is also available for borrowers on these special assistance schemes.

*Terms and conditions apply.