

## Don't be tempted to overcommit

With interest rates tumbling in the past year and the Government offering a substantial financial incentive to first time homebuyers - buying a house has become particularly attractive.

Taking that first big step towards realising the great Australian dream is not only one of the most exciting commitments you will ever make, but probably the biggest investment.

With so many loan products being offered in the marketplace, it may be worthwhile considering why Keystart, established at a time of high interest rates, is still necessary.

Keystart Board Chairman Lloyd Guthrey said Keystart was still a very attractive loan for low to medium income earners who had not been able to save a big deposit.

"We're proud of the fact that Keystart has helped more than 36,000 households buy their own homes since 1989. It's also important to realise that Keystart lenders care about their borrowers, not allowing them to get in over their heads, and providing them with a safety net for the times when unexpected circumstances may reduce their income," Mr Guthrey said.

It is for this reason that Keystart restricts the size of your loan to no more than 2.6 times your annual income.

Low interest rates are being advertised which on the face of it sound attractive, but the honeymoon rates, like all honeymoons come to an end and many of these rates have on-going monthly fees.

The Keystart interest rate at the time of going to press was 6.25 per cent and Keystart charges no

monthly fees. Keystart also has a safety net for those times when some disaster might strike, such as the main income earner falling sick or losing their job.

Mr Guthrey cautioned against borrowing more than you need because of low interest rates.

"It's a better idea to use the savings from the lower interest rates to pay more off your existing loan, which will reduce the term of your mortgage considerably. This way if or when you do want to make changes to your home, you can borrow a Keystart Home Improvement Loan."

Since February 2001 Keystart interest rates have dropped by 2 per cent, saving most borrowers more than \$100 a month.

## Shedding the light on safety

Armadale residents should now be feeling safer with new lights installed in some parks in the neighbourhoods looked after by the Neighbourhood Improvement Program (NIP).



Park lighting

NIP aims to enhance facilities in Neerigen and Holybush areas, making them more desirable places to live.

Keystart and the Armadale City Council are happy with the success of NIP which is now in its second year. Keystart spokesman Gerry Costigan said that NIP had spent \$50,000 improving parks and reserves in the area.

"During the daylight hours, on-going fun activities organised in the parks have been a huge success, and more events are planned for the summer," Mr Costigan said.

However, the City of Armadale recognised that it was also a priority to ensure that people felt safe in the parks after dark. A survey conducted by the City of Armadale found that in the Neerigen and Holybush areas, residents have given the thumbs up to the quiet location, but they too are concerned about safety and lighting in parks.

After consultation with the residents, new lights have now been installed in seven parks and new street signs that will be erected over the coming months will continue to improve this area.

## Helping young people with business



Helen Richardson (L) & Jade Young.

As one of the sponsors of Young Achievement Australia, Keystart is helping students learn how to set up and run small businesses.

Students at Safety Bay Senior High School, for example, are proving they are future entrepreneurs with their

business innovation of creating and selling pot pourri bears and aprons.

Helen Richardson and Jade Young set up "Lil' Angels" to sell the bears and aprons as part of their involvement in this year's Young Achievement Australia program.

At the annual awards night on November 3 the pair were given a special award for outstanding performance.

The student companies sell their shares to raise capital, elect a board of directors, register their company, complete market research and manufacture and sell a product to the public. At the end of the program, the companies return a profit to their shareholders.

Keystart sponsors six schools so that mentors and business role models can help students get their business ideas off the ground.

WA State Manager for Young Achievement Australia Sue Footner said Lil' Angels was run by only two young people.

"Usually the companies must have at least 10 to 16 members. These girls have performed extremely well in all areas and are amazing young ladies," she said. "They are only 16 years old, but instead of

partying, they are juggling school, home life and exams in order to run a business on their own.

"Their main product is PVC aprons for children, others being fluffy cushions, innovative heat bags and hot water bottle covers.

"The girls are very modest and extraordinarily hard working."

Ms Footner said Keystart has provided the girls with a unique opportunity to run their own business.

"They convinced me they would have the ability to do it and come through with the goods," she said.

"In fact, they are running in the top six companies at the moment for timely lodgement of paper work and mid year audit."

Spokesman for Keystart Gerry Costigan, who presented the Keystart Trade Fair Award, said that sponsoring YAA meant providing support to one of our most vital assets - youth - as well as contributing to the future prosperity of business in Australia.

"The standard of the entries was extremely high and some of these young people produced business plans which would have left some adult-run businesses looking ordinary," Mr Costigan said.

"The products generally are of extremely high quality, unique and innovative."

St Mary's Anglican School won the Secondary School Trade Fair Award with their business Euphoriya, while Curtin Business School took the Trade Fair Award for Tertiary Establishments with Aromiya.

# Local kids on the Fast Track

NIP is supporting the Aussie Fast Track program and helping local families get involved in this program.

The program helps youngsters focus and enjoy school by providing early interaction for families of children entering primary school.

Family and Children's Services (FCS), Cannington District Education Office and the Kelmescott Clinic co-ordinate Aussie Fast Track.

In other news, FCS and the City of Armadale have been joined by Police, Department of Housing & Works, Department of Justice and the Aboriginal Affairs Department in a working group aimed at resolving neighbourhood conflict.

Gerry Costigan said "NIP welcomes multiagency involvement in helping to improve facilities and services in Armadale."

# Your privacy paramount

Keystart and its retailers have always been bound by legislation to ensure your privacy and to keep your personal information confidential.

From December 21 the Privacy Act will apply to Keystart retailers in a much greater way than at present.

So Keystart and its retailers are making sure that they collect, use, store and disclose your personal information in accordance with the 10 National Privacy Principles in the Privacy Act.

Keystart's specific privacy initiatives will guarantee that it complies with and exceeds the new requirements of the Privacy Act. Some of these initiatives are as follows:

- Staff being trained in the effect of the Privacy Act changes. They will collect only information that is necessary to provide you with the best possible service and advice.



- You will be able to access your personal information.
- Keystart will ensure that its agents, contractors and other third parties, who need your personal information to provide a legitimate service, comply with the Privacy Act.
- Keystart is developing a comprehensive and readily available privacy policy, that shows you how Keystart collects, uses, discloses and stores your personal information.
- Privacy Officers are being appointed to deal with your Privacy Act queries and concerns.

If you have any queries about personal information which is held about you, contact your Keystart retailer.

# Seek financial help in a crisis

Tips from our Money Managers, Diane Stephenson & Olga Cooper

Someone once said, "Disaster can be as close as the next heartbeat"

Financial counsellors are fully aware of this from the clients that they see. Everything is going along smoothly and then suddenly families find themselves in a financial crisis because their income has been reduced. This may be due to unemployment, sickness, or a relationship breakdown.

## Keystart provides a safety net for such occasions.

But with their income reduced, people find that they have to make choices: Pay the bills or put food on the table, pay the mortgage or the car registration. Often they are pressured by their creditors to pay NOW! If they have a number of creditors, they have to decide who gets paid first and it is usually whoever is 'banging the loudest' by threatening legal action, or coming to repossess goods.

It doesn't have to be this way. There may be a number of things that borrowers can do to ease their financial situation. One is to apply to their creditors, with whom they have a finance contract, for a Hardship Variation. There is an eligibility standard that has to be met before applying. Please contact a financial counsellor in your area who will be able to tell you if you are able to apply for a Hardship Variation.

The Consumer Credit Code 1996 says that a person can apply for a variation if unable reasonably, because of illness,

unemployment, or other reasonable cause, to meet the debt obligations under a credit contract but who reasonably expects to be able to discharge their obligations if the terms of the contract were changed.

Changes could be to:

- Extend the period of the loan, which results in the loan payments being reduced.
- Postpone payments for a time (For example - If a person is sick and knows that they are going to go back to work in two months then this may be the best option for them. They will not have to pay for the debt for the two months)
- Extend the period of the loan AND postpone the payments for a set time.

Other options are also available for people who find themselves unable to meet their financial commitments. For further information, please make an appointment to see a financial counsellor.

Any of the above changes can help to ease the financial situation.

To find a financial counsellor close to your area, ring 9221 9411.

Diane Stephenson and Olga Cooper are experienced financial counsellors. Olga works with Anglicare helping people in the southern suburbs and Diane works with the City of Wanneroo in the northern suburbs.

# Where are we?

If you need information or advice on your Keystart loan, your first point of call should be your Keystart retailer, unless your loan is directly managed by Keystart.

From December 1, 2001 changes to legislation mean that building societies will change their names and become housing societies.

## TLC Housing Society

77 Stirling Street, Perth 6000. Ph: 9328 2322  
Country callers toll free 1300 364 606

## University Housing Society

136 Stirling Highway, Nedlands 6009.  
Ph: 9389 0000  
Country callers toll free 1800 627 444

## Western Homebuyers Housing Society

Level 1, 263 Adelaide Tce, Perth 6000.  
Ph: 9219 7444  
Country callers toll free 1300 657 344

## Westland Housing Society

229 Stirling Highway, Claremont 6010.  
Ph: 9285 5555  
Country callers toll free 1800 442 214



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[www.keystart.com.au](http://www.keystart.com.au)