

FOR MORE INFORMATION

For further information you can contact the Mortgage Assistance Scheme at:

Freecall: 1800 806 653

Email: mas@housing.nsw.gov.au

Website: www.housing.nsw.gov.au

Translating and Interpreting Service Telephone:
13 14 50

The information contained in this leaflet is valid as at September, 2004.

Mortgage Assistance Scheme



INTRODUCTION

The Mortgage Assistance Scheme provides you with short-term help if you are experiencing temporary difficulties with your home loan repayments as a result of an unavoidable change in circumstances.

This change may be due to unemployment, accident, illness or some other crisis.

Mortgage Assistance is not a grant but a loan to be repaid at a future time.

WHAT YOU MUST DO FIRST

Before Mortgage Assistance can be provided, you must demonstrate that you have exhausted all other reasonable avenues of help available.

Most home lenders will try to work out a remedy to your problem. This may include a postponement or restructuring of your loan repayments or an extension of your loan term.

The Mortgage Assistance Scheme is a last resort for home buyers in danger of losing their home.

HOW TO APPLY

To apply for Mortgage Assistance, you must complete an application form. Your home lender then completes the final page of the application form before it is sent to the Mortgage Assistance Scheme.

Application forms may be obtained from your home lender or from the address shown overleaf.

ELIGIBILITY FOR ASSISTANCE

To obtain Mortgage Assistance you must meet certain conditions. Some of these conditions are:

- The total amount you owe on your home loan must be less than \$270,000.
- The value of your home must be less than \$500,000.
- Your gross household income must be less than \$70,000 per year.
- Your financial difficulties must be serious and caused by an unavoidable change in your circumstances.
- Your home loan repayments must exceed 36% of your gross household income.
- You must demonstrate that you have been making home loan repayments of at least 27% of your gross household income.
- You must be living in the mortgaged home.
- You must complete an application form and give written authorisation for your home lender and other creditors to disclose information concerning your financial affairs. This authority will continue until the assistance is repaid.

HOW ASSISTANCE IS GIVEN

Mortgage Assistance is given by way of a loan which is paid directly to your home lender. The loan is usually in the form of payment of home loan arrears and/or a subsidy towards your home loan repayments for a certain period of time.

While receiving Mortgage Assistance you must meet at least part of your home loan repayment.

We will lodge a caveat on your property. A caveat is a document lodged at the Office of Land and Property Information New South Wales, to protect an interest held in a property by a person who does not own the property.

AMOUNT OF ASSISTANCE

The maximum amount of Mortgage Assistance which can be provided is \$12,000. The period over which assistance is provided cannot exceed one year in total.

REPAYING MORTGAGE ASSISTANCE

As Mortgage Assistance funds are limited and demand for assistance is high, repayment is essential.

Before you receive assistance you will have to enter into a repayment agreement.

Normally you will be approached six months after you have received assistance to arrange repayment. If you sell your home or refinance your home loan you are expected to repay the assistance at that time.