



Mortgage Relief

The Department of Housing, through its Mortgage Relief product, offers short-term assistance to people experiencing difficulties with their home loan repayments, as a result of an unforeseen change in their circumstances. These changes may be due to unemployment, accident, illness or some other crisis.

Mortgage Relief is provided by way of an interest free loan that must be repaid. There are no application fees or ongoing charges payable.

What you must do first

Before a Mortgage Relief loan can be provided, you must demonstrate that you have exhausted all reasonable avenues of help available to you. This includes a postponement or restructuring of your loan repayments with your current lender.

A Mortgage Relief loan will generally only be offered when all other options have been considered and you are in danger of losing your home.

Eligibility for assistance

To be eligible for a Mortgage Relief loan, you must meet the following requirements:

- You must have sufficient equity in your home to provide security for any assistance given.
- The value of your home must be less than \$450,000.
- You must be an owner-occupier and have every intention of maintaining ownership.
- You can not own any other real estate.
- You must be financially distressed and in danger of losing your home.
- The unforeseen change in your circumstances must have caused the level of your home loan repayments to exceed 30% of your gross household income.
- You must have taken all reasonable steps to meet your liabilities, and be able to demonstrate that you have been making home loan repayments of more than 30% of your gross household income.
- You must complete an application form and give written authorisation for your home lender and other creditors to disclose information concerning your financial affairs to the Department of Housing. This authority will continue until the Mortgage Relief loan is repaid.

How to apply

Application forms can be obtained from the Housing Loans unit of the Department of Housing. You must complete the application and forward it onto the department for assessment.

How assistance is given

The Mortgage Relief loan is paid directly to your home lender. Funding is usually provided to clear any home loan arrears and to subsidise home loan repayments for a period of up to six months.

While receiving Mortgage Relief, you will be required to meet a portion of your home loan repayments. In some cases, you may be asked to pay your full repayment. At the time you receive the Mortgage Relief loan, you will be required to contact your lender who will advise you on how much you will be required to pay.

The Department of Housing will secure the Mortgage Relief loan by way of a registered mortgage over your home. A mortgage is a legal document which provides a lender with enforcement rights against a property to recover a loan.

The amount of assistance

The maximum Mortgage Relief loan available is \$12,000.

The loan is repayable over a 10-year term. However, repayments are not required for the first 12 months. After that, you will be required to make regular monthly repayments, in addition to maintaining your home loan repayments

Repaying your Mortgage Relief loan

Mortgage Relief is an interest free loan that must be repaid.

You will be contacted by the Department of Housing 12 months after you receive the loan to arrange for monthly repayments to commence. If you sell your home or re-finance or renegotiate your loan, you will be required to repay the Mortgage Relief loan at that time.

Summary

Mortgage Relief provides **short-term** assistance only.

If you are experiencing **long-term** financial problems, you should seek advice from a financial counsellor regarding other options available to resolve these problems.

For more information, contact:

Retail Lending	Tel: 3224 7202
Housing Loans	Toll Free: 1300 654 322
Department of Housing	
GPO Box 690	
Brisbane QLD 4001	

Free interpreter services are available to people who have difficulty speaking or understanding English. Telephone the Department of Housing's toll free Loan Information Hotline on 1300 654 322.

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