

# HOME LOANS



## LOAN APPLICATIONS

A home loan is a major financial decision, so don't rush into anything. Shop around when choosing a home loan and always review the contract closely before you sign.



Banks have responsible lending obligations they have to meet. This means the bank has to make inquiries and verify your financial situation.

## WHAT TO DO WHEN YOU MISS A PAYMENT

### ACT QUICKLY

If you miss a payment on your home loan, you will be in default. It is important to act as soon as possible and not ignore the situation.



### REPOSSESSION

If you do not pay the outstanding amount owing and any normal payment that is due, the lender may repossess and sell your home.

The lender will ask the court for judgment which allows them to repossess the property and for you to pay all of the money owed on your home loan.

Unless you have a valid defence to the lender's claim, the court will enter judgment against you.



### DEFAULT NOTICE

Your lender will send you a default notice allowing you at least 30 days to fix the default.

If you pay the outstanding amount owing and your normal repayment due before the notice period expires, you have fixed the default.



### OPTIONS

Before judgment is entered Your options are:

- To apply for a hardship variation;
- To pay the outstanding amount and make regular repayments;
- Refinance the loan; or
- Negotiate with the lender for time to sell. If the lender refuses to negotiate, you could lodge a dispute with the lender's external dispute resolution scheme.