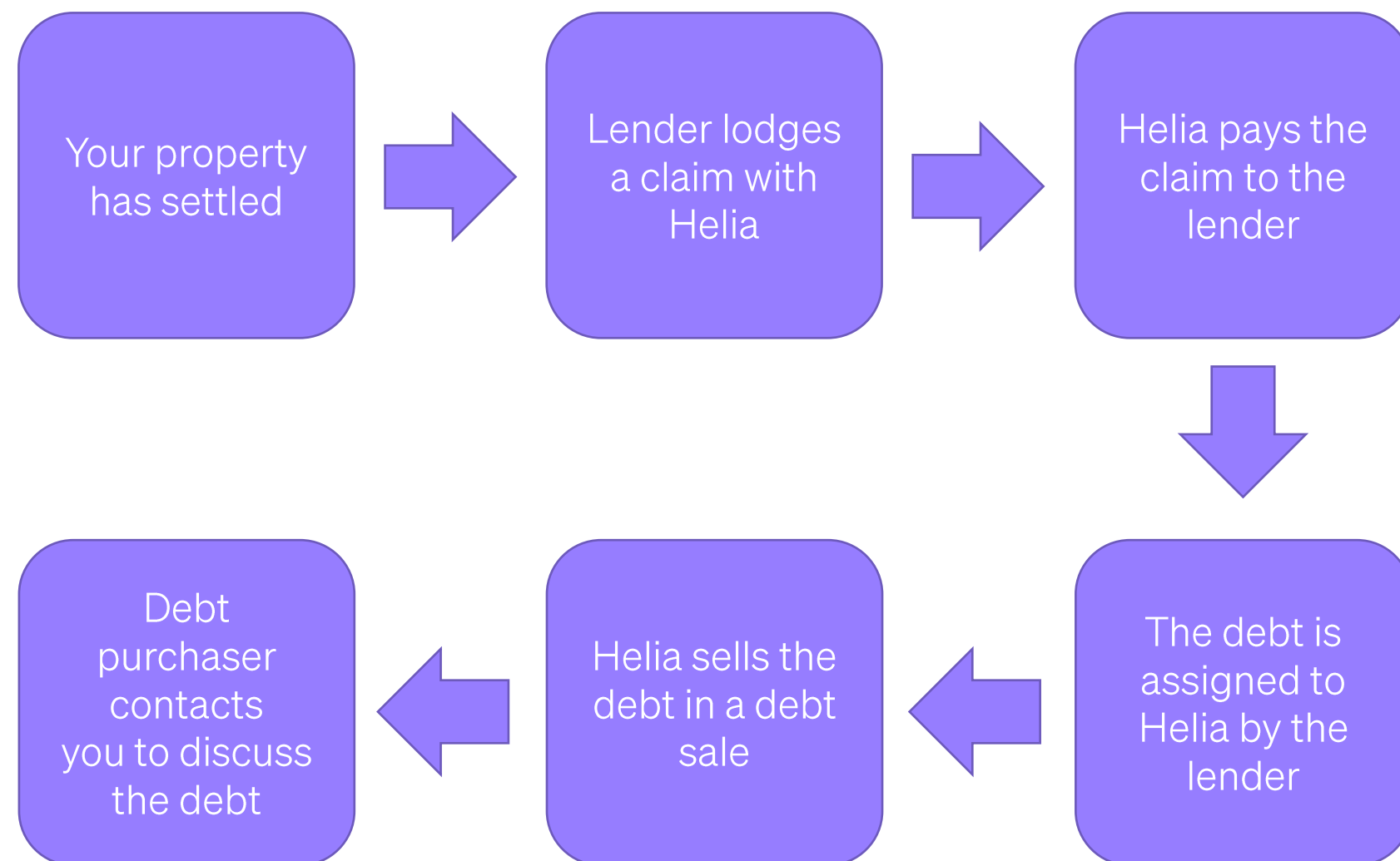


Recovery process

Property has been sold with a shortfall. What happens now?

Once your property is sold with a shortfall, the lender submits a claim, and the outstanding debt is assigned to Helia. The timeframe from when settlement occurs and when the debt is assigned to Helia will vary depending on your lender's processes. However, if you have any queries, Helia can be contacted to discuss the recovery process.

The below map shows the current process;



Frequently asked questions

Who is Helia?

Helia provides Lenders Mortgage Insurance (LMI) which allows lenders to lend over 80% Loan-to-Value Ratio (LVR) and protects the lender against the risk of potential losses, in case you are unable to make your home loan repayments, and the lender is unable to recover the outstanding loan amount from the sale of the security property.

By taking out LMI, a lender reduces its risk at the outset, allowing borrowers to secure a loan with a deposit as low as five per cent. This takes much of the difficulty out of saving a deposit for prospective home buyers.

What is the difference between lenders mortgage insurance and mortgage protection insurance?

LMI covers the lender in the event the property is sold with a shortfall, whereas mortgage protection insurance covers you in the event of death, sickness, unemployment or disability.

What is a shortfall debt?

If you experience financial difficulty, and your home needs to be sold, a shortfall debt arises if the net proceeds from the sale are not enough to fully repay your loan amount.

Can I speak with my lender?

While the property is on the market or a sale is taking place, contact should only be made with the lender. You can also discuss other alternatives with your lender to assist you with arrears, payment arrangements or even if you have a complaint.

For more information, contact:

 Customer Service Centre
1300 661 118 Option 2

 RecoveriesAU@helia.com.au

Disclaimer: information contained in this fact sheet is general in nature, does not constitute legal, accounting, tax or other financial advice and is not tailored to a home buyer's specific circumstances. Home buyers should consider their own circumstances and seek advice from their professional advisers before making any decisions that may impact their financial position. For further information visit helia.com.au/terms-of-use.