

Property Focus

Bringing you the latest news, fact and figures from the world of Australian real estate.

Is Your Home Loan Protected?

There's no doubt that taking on a mortgage is a huge commitment; one that lasts for at least 20 years. So, what happens when things go wrong? You lose your job, suffer an illness, injury, or worse and you're not able to meet your mortgage repayments? How do you ensure you don't lose your family home? Take a look at these five things you need to know about home loan protection.

1. LOAN PROTECTION IS NOT THE SAME AS LMI

If you recently took out a home loan with a deposit under 20 per cent, you likely had to pay Lenders' Mortgage Protection (LMI). LMI is a one-off insurance payment that protects the lender in the event you're unable to repay your loan. The insurance would cover the difference between what your property sells for and the amount left on your loan should you default. (Read our article here if you'd like to know more about LMI.)

That's not the same as Loan Protection Plan (LPP) which protects you, the buyer and owner of your property. If you're unable to repay your home loan, ALI (Mortgage Express' preferred Loan Protection provider) would pay the benefits to you and not the lender, to use in whatever way you choose even to cover your hospital bills.

2. LPP COVERS YOU FOR THE LIFE OF YOUR POLICY, NOT THE LIFE OF YOUR LOAN

Even if you change lenders or refinance your home loan, Loan Protection Plan covers you for the life of your policy.

3. NO STRICT ELIGIBILITY CRITERIA

Unlike many insurances, with Loan Protection Plan you're automatically accepted for cover if you're aged between 18 and 59, you're an Australian or New Zealand citizen or permanent resident living in Australia, and you're an applicant or borrower on a loan taken within the last 12 months. With Loan Protection Plan, there are no hurdles; you won't need to undergo a medical, have blood tests or answer any detailed and obtrusive health questions.

4. THREE TYPES OF BENEFITS

There are three types of benefits covered under Loan Protection Plan, as well as an optional fourth:

- Living Benefit covers 11 serious medical conditions like cancer, heart attack, stroke, total loss of hearing or sight and more¹.
- Death and Terminal Illness Benefit, provides you with a lump sum payment of up to \$750,000 to help your family in case of death/terminal illness.
- Involuntary Unemployment Benefit; If you've been made redundant in the first five years of your policy, Loan Protection Plan will pay you up to 3 months of benefits to help while you're looking for work.
- Accidental Injury Benefit (Optional); If you've suffered an accidental injury and can't work for 30 days or more, Loan Protection Plan will pay you 3 months of benefits while you're on the mend.

5. FITS ALL TYPES OF BORROWERS

No matter your personal situation – single, in a relationship, with a family, an investor or acting as guarantor – Loan Protection Plan can protect you when things go wrong.

Protect your home loan. For peace of mind and financial security get in touch with a Mortgage Express broker to find out more about protecting your home loan with Loan Protection Plan.

For full terms and conditions, please refer to the Product Disclosure Statement at www.aligroup.com.au.
¹ Pre-existing condition exclusions apply, and a 3-month exclusion period applies to conditions: cancer, heart attack and stroke. Please read the full details in the PDS.

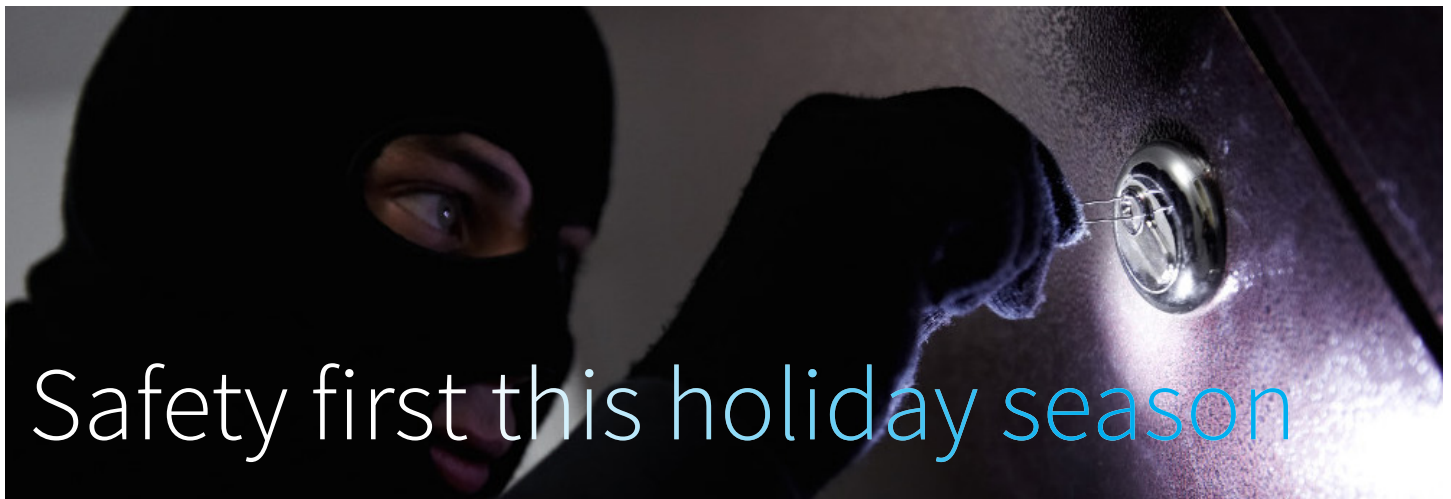
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Whether you're holidaying on the other side of the world or simply at the beach down the road, if you're leaving your home for the annual summer break, it can mean there is an increased risk your home will become a target for thieves. The good news is, there are a few tips and tricks you can use which can make a huge difference in protecting your most valuable asset and safeguarding your home against thieves this summer holiday season:

DOUBLE CHECK THE LOCKS

Check your home's existing locks and if necessary refit new ones, such as deadlocks and bolts, on doors and windows. Many homes have locks on windows that generally share the one key, so it's a good idea to keep this key in a safe location (or even with you) whilst you're on holiday.

MAKE A LIST OF VALUABLES

Keep an up-to-date list of any valuables such as jewellery, antiques, electronics and artwork. Take a photo of each item to keep on file and ensure your insurance company also has a copy. This will make the claim process much easier if something were to happen.

KEEP KEYS IN A SAFE PLACE

Don't leave house keys hidden outside, as experienced thieves will know where to look. Instead, leave a set of keys with trusted neighbours or friends or take them with you.

SURVEY OUTDOOR OBJECTS

Lock away garden tools and ladders as they could potentially help a would-be thief to gain access to your home.

LET IN THE LIGHT

Use automatic timer switches for lamps, TVs or stereos to come on then turn off each night. This will give the illusion that someone is occupying your home and will deter potential thieves. Outdoor sensor lights are also a good idea not only to deter intruders but to help alert neighbours to someone's presence around your home.

CLEAR THE LETTERBOX

Arrange to have your letterbox emptied daily. Nothing is a bigger signal to thieves than an overflowing letterbox, or newspapers piling up on the lawn. It may be a good idea to have your newspaper subscription paused or diverted to another address for the duration of your holiday.

LONG-TERM BREAKS

For longer holiday breaks, arrange to have the lawn mowed and the house aired with windows opened occasionally (whilst someone is at the house), so it's apparent someone is either living in or visiting the home regularly.

BE SOCIAL MEDIA SAVVY

Don't leave a message on your phone indicating that you are away and be careful not to mention the duration of your trip on social media. Recent research has shown that thieves canvas social media to try and identify people who may be away and to locate their address. Alternatively, ensure you have strict privacy settings on your social media profiles.

HAVE SOMEONE STAY

If possible, ask a trusted friend or family member to be your house sitter.

Market Facts

Capital cities home value index - 31 October 2018

	ALL DWELLINGS		HOUSES		UNITS	
	% Change Year on Year	% Change Month on Month	% Change Year on Year	% Change Month on Month	% Change Year on Year	% Change Month on Month
Sydney	-7.35 ▼	-0.74 ▼	-8.43 ▼	-0.74 ▼	-4.91 ▼	-0.75 ▼
Melbourne	-4.67 ▼	-0.73 ▼	-6.25 ▼	-1.04 ▼	-1.01 ▼	-0.05 ▼
Brisbane*	0.31 ▲	0.01 ▲	0.65 ▲	0.06 ▲	-0.80 ▼	-0.16 ▼
Adelaide	1.80 ▲	0.18 ▲	1.82 ▲	0.18 ▲	1.66 ▲	0.16 ▲
Perth	-3.28 ▼	-0.81 ▼	-2.86 ▼	-0.79 ▼	-5.18 ▼	-0.97 ▼
Hobart	9.67 ▲	0.85 ▲	9.66 ▲	1.27 ▲	9.80 ▲	-0.73 ▼
Canberra	4.34 ▲	-0.02 ▼	5.14 ▲	-0.08 ▼	1.48 ▲	0.17 ▲

*includes Gold Coast