



Housing and Accommodation

Defence Service Homes Loans

Overview

This Factsheet describes the Defence Service Homes Subsidised Home Loan Scheme available to eligible veterans and their surviving partners and dependent parents.

How do I qualify?

You **may** qualify for a Defence Service Homes (DSH) loan if you:

- served with the Australian Defence Force for specified periods of service*;
- are a surviving partner or dependent parent of someone who served with the Australian Defence Force during the periods of qualifying service covered by the DSH Scheme;
- were part of the British Commonwealth forces, welfare organisations; or merchant marine in certain circumstances.

*Note: Persons whose first service in the Australian Defence Force began on or after 15 May 1985 are not eligible for a DSH loan unless they were allotted for service in Namibia. Housing loan assistance for persons whose first service began on or after 15 May 1985 and who served during the period up to and including 30 June 2008 had been provided through the Defence Home Owner Scheme (DHOS), which closed on 30 June 2010. In some very limited circumstances, comparable assistance is available through the Defence Home Ownership Assistance Scheme (DHOAS). For eligible persons who have served on or after 1 July 2008, housing assistance is provided through the DHOAS. Details about DHOAS and DHOS may be obtained from the Department of Veterans' Affairs on 1300 434 627.

How much can I borrow?

The maximum amount you can borrow for your first loan is \$25 000 but the actual amount you can obtain depends on various factors, for example, the ability to meet your instalments and other commitments.

The interest rate is a variable rate set on the 5th of each month. It is set at 1.5% below the average standard variable home loan rate on the last working day of the previous month. It will not exceed 6.85% per annum.

Westpac Banking Corporation is contracted to provide the subsidised housing loans, which generally must be secured by way of a first mortgage. Where the loan relates to a retirement village, security is at the discretion of Westpac. Not all retirement village (RV) forms of ownership are acceptable to Westpac. You should discuss your proposal with Westpac before you enter into any binding commitment.

Defence Service Homes Loans, *continued*

What can I do with the loan?

You can use your DSH loan to:

- buy a house or unit or, in certain circumstances, the right of entry into a retirement village;
- build a house or unit;
- buy land and build a house;
- complete a partly built house or unit;
- enlarge, modify and/or repair your house or unit;
- re-finance an existing mortgage, charge or encumbrance on a house or unit owned by the eligible person;
- build, complete, enlarge, modify or repair your retirement village accommodation in certain circumstances or discharge a debt in relation to it;
- obtain granny flat accommodation on another person's property. In this scenario, you must assign the loan to the owner of the accommodation so you also need to apply for a Certificate of Assignment.

DSH loans are portable from one home to another.

What else does this scheme offer?

The DSH Scheme also provides:

- additional advances (if you have a current loan and have not borrowed the maximum loan of \$25,000);
- insurance for your home and contents;
- advances for essential repairs or instalment relief (in times of hardship).

Where do I obtain an application form?

You can obtain an application form:

- from your nearest Department of Veterans' Affairs office
- by phoning Defence Service Homes on **1800 722 000*** (free call)
- by sending an email to **DSHSubsidyVIC@dva.gov.au**
- from your local Westpac branch.
- from our web site **www.dsh.gov.au**

* If you use a mobile phone, refer to the *Note* at the end of this document.

Where can I lodge my application form?

You can lodge your application form at your nearest DVA office or post it to:

Defence Service Homes
GPO Box 1987R
MELBOURNE VIC 3001

Or by fax to (03) 9284 6800

If you are entitled to a loan you will be sent a Certificate of Entitlement. You then need to take your certificate to any Westpac branch to apply for the Defence Service Homes loan.

Defence Service Homes Loans, *continued*

Other Factsheets

Other Factsheets related to this topic include:

- *Defence Service Homes Insurance: HAC 02*
- *Home Maintenance Helpline: HAC 03*
- *HomeFront: HAC 04*
- *Home Support Loans: HAC05*

Disclaimer

The information contained in this Factsheet is general in nature and does not take into account individual circumstances. You should not make important decisions, such as those that affect your financial or lifestyle position on the basis of information contained in this Factsheet. Where you are required to lodge a written claim for a benefit, you must take full responsibility for your decisions prior to the written claim being determined. You should seek confirmation in writing of any oral advice you receive from DVA relating to complex or important matters.

More Information

If you require any further information about the home loans, please contact the DSH National Processing Centre on **1800 722 000** * (free call) or send an email to **DSHSubsidyVIC@dva.gov.au**.

If you require any further information about home and contents insurance, please contact your local DSH Insurance office, telephone **1300 552 662** * (cost of a local call).

Use a normal landline phone if you can. Mobile phone calls may cost you more.

All DVA fact sheets are available from DVA offices and on the DVA web site at www.dva.gov.au.

You can send an email to DVA at **generalenquiries@dva.gov.au**.

You can get more help from any DVA office.