

Find out more

For more information about DHOAS, call the Department of Veterans' Affairs on 1300 434 627 or log onto [www.dhoas.gov.au](http://www.dhoas.gov.au)

To find out more about Defcredit's range of DHOAS Advantage Home Loans, call us on 1800 033 139, or visit any Defcredit branch.



Home Loans that recognise and reward you

**Defence Force Credit Union Limited**

ABN 57 087 651 385 AFSL 234582

Head Office, Level 2, 99 King Street

Melbourne VIC 3000

Terms and conditions, fees and charges apply and are available on request.  
For current interest rates, log onto [defcredit.com.au](http://defcredit.com.au)

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# DHOAS Advantage Home Loans





## What is DHOAS?

The Defence Home Ownership Assistance Scheme (DHOAS) is a valuable Federal Government initiative that recognises the important contribution members of the Australian Defence Force (ADF) make to Australia. The scheme is administered by the Department of Veterans' Affairs and is only available to eligible members of the ADF.

The Scheme provides subsidies for monthly mortgage repayments on an eligible DHOAS Home Loan and is designed to help you purchase, or pay off your own home.

In this brochure you'll find an overview of how the Scheme works and how Defcredit can help you take advantage of it with one of our eligible DHOAS Advantage Home Loans. If you'd like more detailed information about the Scheme, please visit the dedicated DHOAS website at [www.dhoas.gov.au](http://www.dhoas.gov.au)

### Who's eligible?

To be eligible for DHOAS you must have served a specified time in the ADF or as a Reserve force member:

- > Permanent members of the ADF must have served for at least four consecutive years and have been currently serving on 1 July 2008
- > Members of the ADF Reserve must have served for at least eight consecutive years and have been currently serving on 1 July 2008.

The longer your service with the ADF, the greater the benefits you can receive. War-like service can also extend the length of time you can continue to receive benefits. For full details, visit [www.dhoas.gov.au](http://www.dhoas.gov.au)

## What's in it for you?

Well, it could be quite a bit really. Everyone's circumstances will be different and the Department of Veterans' Affairs will be able to help you work out how much your subsidy could be. Currently the maximum you could receive is \$493 a month. When you consider that the subsidy is net of tax and that payments can be received for up to 25 years, it could add-up to a very valuable benefit for you as an ADF member.

The length of time the subsidy is paid to you depends on the length and type of your service. For more details, visit [www.dhoas.gov.au](http://www.dhoas.gov.au)

There are three tiers of progressively higher subsidies that can be accessed once you complete service milestones as outlined in the table opposite. The maximum thresholds will be reviewed regularly to ensure the subsidies keep pace with changes in the housing market. For instance, the maximum monthly subsidies will be revised monthly to keep pace with changes in interest rates, while the maximum subsidised loans will be reviewed annually to keep pace with house prices. The table shows figures valid from January, 2009. For the most up-to-date figures, visit [www.dhoas.gov.au](http://www.dhoas.gov.au)

Tier	Consecutive years of service required for eligibility		Maximum Subsidised Loan	Maximum Subsidy (pm)
	Permanent ADF	Reserve Force Members		
1	4	8	\$187,159	\$246.54
2	8	12	\$280,738	\$369.81
3	12	16	\$374,318	\$493.08

Figures valid from January, 2009

Whichever tier you are eligible for, if your DHOAS Home Loan is equal to or greater than the subsidised loan limit, you will receive the maximum subsidy per month. However, it's important to remember that due to the monthly movement of the subsidy maximum, the amount you receive may change regularly dependent upon movements in housing market interest rates.

Even if you don't take up the subsidy immediately, once you are eligible, you may be able to accrue a lump sum that you can use as a payment towards your eligible DHOAS Home Loan. For further information on how this works, please visit the DHOAS website at [www.dhoas.gov.au](http://www.dhoas.gov.au)



## Could you save with DHOAS?

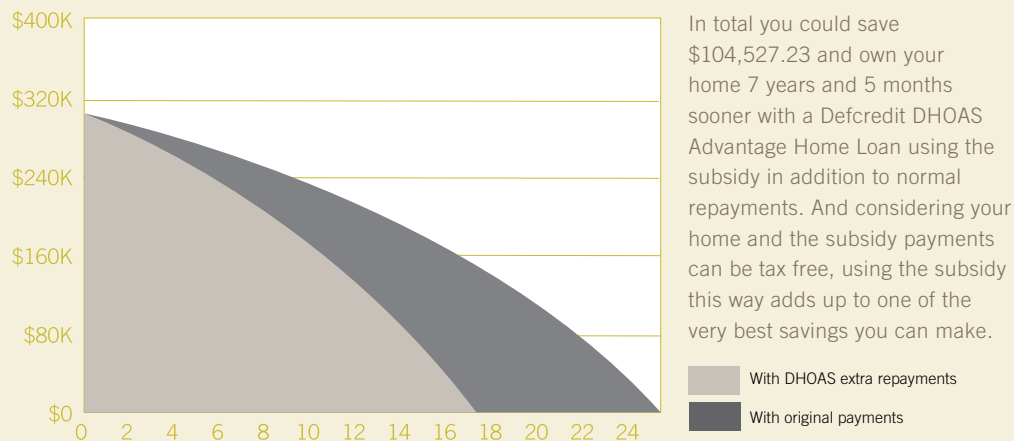
How you use your DHOAS subsidy is up to you. You may want to use it to help pay off your Home Loan sooner by making additional payments on your home loan.

The fact is, the earlier you make additional payments on a Home Loan, the more it can reduce both the term and the amount of interest you pay over the life of the loan. Using your DHOAS subsidy to increase your repayments to your Defcredit DHOAS Advantage Home Loan could save you thousands



of dollars and cut years off the life of your loan.

The graph below illustrates how making standard repayments compares with adding the current maximum tier 2 DHOAS subsidies on top of your normal repayments to make a difference to your total loan repayments. It is based on the assumption of a \$300,000 Home Loan at 6.50% p.a. taken out over 25 years in January, 2009 making additional monthly payments of \$369.



## Defcredit DHOAS Advantage Home Loans developed specifically for DHOAS

Defcredit has been providing loans to Defence Force Members for over 30 years and we are one of only three lenders selected to provide home loans for the DHOAS. We're proud to be able to help and we have developed a selection of home loans to meet your individual needs.

### The DHOAS range of Loans

Defcredit offers two loans you can choose from to take advantage of the DHOAS subsidy. Take a look over the table overleaf to see which loan would best suit you. If you'd like help on how to select the right loan call us on **1800 033 139** or visit one of our local branches.

Of course this example is an indication only as it makes a number of assumptions like subsidy amounts and interest rates remaining the same. However it does show how you could use your DHOAS subsidy to save on your loan and own your home sooner. For a better idea of how much you could save using your eligible subsidy amount and our current interest rate, log on to [defcredit.com.au](http://defcredit.com.au)



## Which Home Loan is right for you?



Take a moment to look over the table at right that outlines your DHOAS Home Loan options. The DHOAS Advantage Loan is suitable for purchasing or re-financing new and existing homes, while the DHOAS Construction Advantage Loan is only available for a home you are building.

Either way, you'll enjoy no upfront establishment or ongoing fees and have the advantage of being able to split the loan between fixed and variable interest rate facilities. And for the DHOAS Construction Advantage Loan, you can enjoy an interest only period during the construction phase.

For current interest rates,  
log onto [defcredit.com.au](http://defcredit.com.au)

Feature	DHOAS Advantage	DHOAS Construction Advantage
<b>Maximum loan to value ratio</b>	<b>95%</b> (for loans <\$500,000)	<b>95%</b> (for loans <\$500,000)
<b>No establishment fee</b>	✓ (Solicitor's and valuation fees at cost. A settlement fee of \$275 applies.)	✓ (Solicitor's, valuation and progress valuation fees at cost. A settlement fee of \$275 applies.)
<b>No annual fee</b>	✓	✓
<b>No monthly fee</b>	✓	✓
<b>Redraw</b>	✓ (unlimited free redraw. Minimum of \$100 during variable interest rate periods)	✓ (minimum of \$100 after the interest only period has expired on variable rate loans)
<b>Fixed interest rate</b>	✓ (for two or three years)	✓ (for two or three years)
<b>Interest only</b>	✗	✓ (construction phase only)
<b>Split loan facility</b>	✓ (Up to two facilities at draw down)	✓ (Up to two facilities at draw down)
<b>Switching between variable/fixed*</b>	✓	✓
<b>Loan portability*</b>	✓	✓
<b>Maximum term (years)</b>	<b>30</b>	<b>30</b>
<b>Additional payments allowed (variable rate loan only)</b>	✓	✓

\*Terms and conditions, fees and charges apply and are available on application.

## How to apply

It is easy to apply and receive assistance under the Scheme. However, it is important to remember that you need to apply separately for your DHOAS subsidy and DHOAS Advantage Home Loan.

### **Applying for your DHOAS subsidy**

The DHOAS is administered by the Department of Veterans' Affairs (DVA). First you must apply to DVA for a 'Subsidy Certificate'. Application forms for a 'Subsidy Certificate' are available at [www.dhoas.gov.au](http://www.dhoas.gov.au) or by calling the DVA on **1300 434 627**.



### **Applying for your Defcredit DHOAS Advantage Home Loan**

You can call us on **1800 033 139** or visit any Defcredit branch to apply for your Home Loan. We're conveniently located on bases around Australia, making it easier for you to drop by and discuss your lending needs. Our specialist home loan consultants can also help ensure you have considered everything. And with our reputation for great service, you can be sure that we'll give you a pre-approval decision, fast.

When you are ready to submit your application, just bring along your 'Subsidy Certificate' from DVA. When the loan is approved and drawn-down, Defcredit will advise DVA, who will then start making monthly payments of the subsidy into your account.

