

Thursday, 09 July 2020

WE CONTINUE TO SUPPORT CUSTOMERS WHO HAVE DEFERRED HOME LOAN REPAYMENTS

As customers approach the end of their six-month loan repayment deferral period, Newcastle Permanent has announced an extension of support measures for home loan customers who continue to be impacted by the COVID-19 pandemic.

Customers who are continuing to face ongoing financial difficulty due to COVID-19 at the end of the six-month deferral period may be eligible for an extension of their repayment deferral for up to an additional four months.

Newcastle Permanent's Customer Assist team has maintained regular contact with the 1,200 customers whose home loan repayments were paused earlier this year.

Newcastle Permanent's CEO, Bernadette Inglis said, "We understand this has been a distressing time for some of our customers. Through this difficult period, we will continue to support our customers to ensure the most appropriate solution for their individual circumstances."

"We will continue to maintain the individual contact with our customers so that those who are in a position to resume their repayments can do so. We've already seen a number of customers do this. For those eligible customers who are unable to resume repayments, we will work with them to extend their deferral or identify the most appropriate solution for their circumstances."

A deferral extension of up to four months will not be automatic, and will be provided to customers who genuinely need some extra time. Many customers may need less than four months to either restructure their loan or resume full repayments.

If during or at the end of any deferral, customers continue to be severely financially impacted and are unable to make repayments, they will be assisted through our hardship process to determine the best long-term solution for their individual circumstances.

"We remain committed to supporting our customers during this time," concluded Bernadette.

Any loan that has its repayments paused will have the interest capitalised during the deferral period, which means unpaid interest will be added to the outstanding loan balance. This means that repayments may increase at the completion of the repayment pause, which may also result in an increase in the interest paid over the life of the loan.