

KEYSTART

1360. Hon Dr STEVE THOMAS to the minister representing the Minister for Housing:

I refer to the Keystart shared ownership home scheme and each of the financial years 2020–21, 2021–22 and 2022–23.

- (1) How many Keystart loans were applied for?
- (2) How many Keystart loans were approved?
- (3) What is the value of the Keystart loans granted?
- (4) How many Keystart loans were defaulted on?
- (5) How many Keystart loans were deemed mortgagee in possession?

Hon JACKIE JARVIS replied:

I thank the honourable member for some notice of the question. The following response has been provided by the Minister for Housing.

Keystart is a transitional lender that provides low-deposit home loans to support Western Australians to own their homes sooner. The shared ownership loan supports customers with the purchase price of the property, with the Housing Authority helping to fund up to 30 per cent of the purchase price of the home. Keystart provides a range of support services for customers who are experiencing hardship, including free tools, guides, coaching and counselling, and individual case management to support customers with their specific circumstances.

As the rest of the response is in tabular form, I seek leave to incorporate it into *Hansard*.

[Leave granted for the following material to be incorporated.]

- (1)–(2) In addition to Keystart, clients may be eligible to access the Federal Government's First Home Guarantee which supports buyers to purchase a home with as little as a 5% deposit without paying Lenders Mortgage Insurance. The recently announced Federal shared equity scheme will also provide another avenue for purchasers to access financial support with a home loan.

Financial Year	Keystart shared equity loan applications	Keystart shared equity loan approvals
2020–21	172	102
2021–22	138	101
2022–23	113	90

- (3) As a transitional lender, Keystart's role is to assist more Western Australians into their own home sooner and then support them to refinance when they are able to do so. Over the last two years, 12,000 customers have successfully transitioned to a traditional lender.

Financial Year	Value of Keystart shared equity loans granted
FY 2020–21	\$20,653,900
FY 2021–22	\$20,129,200
FY 2022–23	\$17,762,640

- (4) Due to an unprecedented series of interest rate rises, all lenders around the country are experiencing an increase in arrears. Keystart is required to comply with the terms of the National Credit Code in relation to customers who are experiencing financial difficulty.

Additionally, Keystart discusses a range of options, tailored for each customer's unique situation and may include temporary reduction in repayments or extending the loan term.

Keystart offers a range of support services for customers experiencing hardship including free financial tools and guides, financial coaching services, free counselling services provided through Relationships Australia, as well as a hardship policy to give time for customers to adjust their finances and get back on track with payments and individual case management for customers who experience arrears.

Date	Number of Keystart shared equity loans in default*
30 June 2021	60
30 June 2022	62
30 June 2023	149

*90 days or more in arrears

- (5) Keystart maintains a dedicated team to work with individual customers on a case by case basis before becoming mortgagee in possession. Where a mortgagee in possession is unavoidable, Keystart maintains communication with the customer throughout the process of bringing a property to market to ensure that any potential surplus is maximised.

Financial Year	Keystart shared equity loans deemed mortgagee in possession
2020–21	17

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2021–22	8
2022–23	8
