

# Family Assistance Frequently Asked Questions







**Below are details on the key questions you may have regarding Genworth's Family Assistance product. Please speak with your Genworth Partnership Manager if you have additional questions.**



## Questions on product and who qualifies

### **What is Family Assistance?**

Family Assistance is a new offering to home buyers who are seeking support from family members to purchase their home. A home buyer will receive a 15% reduction in the cost of LMI after applicable discounts are applied.

### **Who can qualify for Family Assistance?**

Any home buyer who does not capitalise the cost of the LMI into their loan and who has a family member who will pay the LMI cost.

### **Is it just parents that can assist with the upfront payment or can it be any family member?**

No, any family member can assist the home buyer and pay the upfront cost of LMI under Family Assistance.

### **What problem is Genworth trying to solve by promoting this offering to family members?**

Genworth continues to focus on how we can best support our customers and help home buyers access the property market. Based on detailed research, utilising human centred design techniques we created Family Assistance, a solution that provides home buyers an alternate option to requesting their parents to be a guarantor on their loan. This was also evident in our recent Genworth First Home Buyer Report which detailed that almost one in four (22.9%) of recent first home buyers almost relied on financial assistance from parents to purchase their home.

### **Does utilising Family Assistance have an effect on refund eligibility?**

No. There is no change to our Refund policy.



## Questions on when the product can be used

### **Is Family Assistance available for Owner Occupiers and Investors?**

Yes, the offering is available for all eligible owner occupied and investment loan purposes.

### **Can you utilise Family Assistance to help more than one Family member?**

Yes, there is no minimum number of times a family member can use the Family Assistance product.

### **Is Family Assistance available on all Genworth products?**

Family Assistance is available on our Standard and Homebuyer Plus products.

### **Is the discounted LMI premium applicable to Top Ups and refinances?**

The pricing benefit of this product will continue to apply to Top Ups and refinances as long as the premium is not capitalised into the loan amount and a family member has contributed to the cost of the LMI premium.

### **When will Family Assistance be available?**

Family Assistance will be available for new loans from 1 December 2021. It will operate under a Minimal Viable Product (MVP) approach for 12 months so we can test usability and obtain feedback from lenders, brokers and home buyers.

### **Why is Family Assistance being launched as a minimal viable product (MVP)?**

By launching our new product offering as a MVP, Genworth can incorporate feedback from lenders, brokers and home buyers to continuously improve the offering.



## Questions relating to process

### Does a lender need to seek or provide evidence that the payment has been contributed by a family member?

A lender does not need to provide Genworth with proof that the LMI premium was paid by a family member but must seek confirmation from the home buyer.

### Does a FHB discount still apply if I have taken out Family Assistance?

Yes, the Family Assistance reduction of 15% will be applied after FHB discount (if applicable) and any other discounts have been applied. Refer example below:

Premium	\$10,000
Less first home buyer discount (10%)	(\$1000)
Subtotal	\$9,000
Family Assistance reduction (15%)	(\$1350)

### Does my technical link have the upfront payment functionality?

Yes, Genworth's API and Gateway functionality allows for indicating that the premium will be paid upfront. It is possible that your system may have been setup to have this

functionality "turned off". We can work with you to review this in our respective test environments.

### Does the Genworth portal/e-form have the upfront payment functionality?

Yes, this is available in Portal and e-form.

### Does Genworth need to issue a new excel premium calculator so I can calculate the premium?

Yes a new calculator is required if you rely on this to estimate premium for Genworth proposal submissions. Genworth's preference is you use our technical links (if available) or our Portal to obtain quotes. We will issue calculators on request and we will seek to work with you to transition to alternate approach for premium calculators including for your broker networks.

### How do I inform Genworth that the application is for Family Assistance?

If submitting directly to Genworth via portal/email there is a question on the LMI proposal form asking if the LMI premium is capitalised. After you have confirmed the LMI premium has been supported by a family member, please tick 'No' and the 15% family assistance reduction will be applied. If you have a technical link with Genworth, there is existing functionality to allow you to indicate if premium is being capitalised or not.

## Find out more

To find out more about Family Assistance contact your lender, mortgage broker or financial adviser

Visit [genworth.com.au](https://www.genworth.com.au)