

NHG & the Housing Costs Facility

For homeowners, losing (part of) one's income is a nightmare. However, it is something that could happen to anyone. We may prefer not to think about such things, but it is reality.

If you have a mortgage with National Mortgage Guarantee (NHG), however, you have no such concerns. NHG helps you bridge a difficult period in your life unscathed. That's when home ownership really does become care-free!



NATIONALE HYPOTHEEK GARANTIE

For purchase and refurbishment of your home

Housing Costs Facility: preventing is better than selling

If you have a mortgage with NHG and are temporarily unable to pay your housing costs in full as a result of unemployment, incapacity for work, divorce or death of your partner, you could be eligible for the Housing Costs Facility (WLF). This is an extra safeguard on top of your existing mortgage with NHG. The WLF enables you to continue making mortgage payments according to your means, giving you more time to bridge a difficult period in your life.

In order to apply for the WLF, you need to contact your lender. The lender decides whether and under which conditions you may use the WLF. Your lender assesses the maximum amount you can contribute to your mortgage costs from your current income. The part that you are unable to pay is added to your mortgage, up to a maximum of 9% of the principal sum of the NHG loan. This gives you extra time to restore your income, solve your payment problems and avoid being forced to sell your home.

The Homeownership Guarantee Fund (WEW) will also continue to guarantee the NHG loan for which a WLF has been granted, providing you with safe and responsible financing.

The WLF does not involve payment of any extra security commission to NHG. The only thing you have to do is contact your lender in time and ask about the possibilities. The lender decides whether you are eligible for the WLF.

[**www.nhg.nl**](http://www.nhg.nl)

Example:

Total loan with NHG is		€	200,000
Monthly costs		€	1,000
Interest p/m	€	850 (5.1%)	
Premium p/m	€	150	

You become unemployed and your income declines

Maximum arrears to be added to mortgage (9% van € 200,000)		€	18,000
Amount that you can still pay every month		€	600
Interest p/m	€	450	
Premium p/m	€	150	
Payment arrears p/m		€	400

In this example, disregarding any added costs, you can use the WLF for about three years (36 months). In concrete terms, that means that you have three years in which to restore your income to the old level. Once you are able to pay your monthly costs in full, you will arrange a payment scheme with your lender to repay the arrears.

You are back in employment and can pay your monthly costs again

Total loan with NHG is		€	218,000
Monthly costs are		€	1,075
Interest p/m	€	850 (5.1%)	
Interest WLF p/m	€	75	
Premium	€	150	

Say you have a loan with a remaining period of 20 years and a mortgage interest of 5.1%, then your monthly costs during the payment period will rise by around € 75 in interest compared with your former monthly costs.

General terms and conditions

You can use the WLF, if:

- the lender decides that you are eligible for WLF;
- the payment arrears on the NHG loan are the result of unemployment, incapacity for work, divorce or death of the partner;
- your mortgage offers sufficient room for the application of the WLF.

NHG: safe, responsible and affordable!

Safe If you unfortunately become incapacitated for work, lose your job, divorce or if your partner dies, you may find yourself unable to continue paying your mortgage. If you are then forced to sell your house and the proceeds are not enough to pay off the outstanding mortgage, NHG will pay the residual debt to the lender.



If unemployment, incapacity for work, divorce or the death of your partner mean that you are temporarily unable to pay your housing costs, you may be eligible for the WLF. The WLF enables you to pay your loan according to your means. In this case, the lender will add your payment arrears up to a maximum of 9% of your loan with NHG. In short, the WLF gives you breathing space when times are tight!



Responsible With NHG, based on your income, you never borrow more than is responsible in your financial situation. Because, besides your monthly housing costs, you need to have enough to pay for important things like insurance and shopping.



Affordable Thanks to the security of NHG, the lender offers you a discount on your mortgage interest. This interest discount can be as much as 0.6%, totalling hundreds of Euros a year!

Have any more questions about NHG?

Don't hesitate to contact:

Stichting Waarborgfonds Eigen Woningen

PO Box 309

2700 AH Zoetermeer

0900 11 22 393 (€ 0.35 p/m)

www.nhg.nl

This pamphlet is part of a series of NHG consumer pamphlets. Visit www.nhg.nl and look under the heading 'Consumer pamphlets' for more information.