

MEDIA RELEASE

No interest rental bond loans available next week from NILS Tasmania

Homelessness week is an apt time to announce that Tasmania's community lending service, NILS Tasmania, is launching a new product to help Tasmanian's secure housing.

Thanks to the support and innovation of our partners; NAB, the Federal Government's Dept. of Social Services, and Good Shepherd Australia New Zealand, and the Tasmanian State Government from Monday 8th August **we will offer eligible Tasmanians access to a no interest (no fees or charges) loan of up to \$3,000 to pay for their bond and/or rent in advance.**

John Hooper, CEO NILS Tasmania, said *"This change might be more important than any loan we offer as we hope it will help people to move out of, or avoid, homelessness. Over the last two years we have assisted over a dozen people to register the car they were living in temporarily. To now be able to provide a solution that might assist some of those clients to smooth out that entry into housing is just brilliant."*

Repayments on a \$3,000 loan through NILS will be a maximum of \$60 a fortnight over 2 years. This turns what seems an insurmountable lump sum amount for bond and first rent into a manageable cost.

NILS Tasmania thank Minister for Community Services and Development Nic Street, who made today's announcement at NILS Tasmania on behalf of the State Government. The significant operating funding the Tasmanian Government have provided over the last few years, as well as the funding to subsidise loans on energy efficient products, has enabled us to scale up and increase our loan output by 36% over two years while decreasing the time it takes to issue loans by 60%. We are able to innovate to enable today's change because the State Government provided the funds to invest in our technology and staff.

Today's launch demonstrates the great partnership between the corporate sector, community sector and, the State and Federal Governments that actually makes the NILS program work, and most importantly make a real difference to people.

NAB provide the interest free overdraft of \$3.2 million to NILS Tasmania which provides our rolling loan capital. NAB Executive Social Impact Jessica Forrest said it was important to expand the loan to help more Tasmanians find a place to call home.

"NAB has partnered with Good Shepherd and the State and Federal Governments to provide NILS for almost 20 years. We are pleased to be able to support the expansion of the NILS loan, which will help ease the pressure for many who are struggling to meet the upfront costs involved in securing a rental."

While NILS Tasmania is providing this option in Tasmania, the rental bond loan are going live across Australia.

All Tasmanians know how hard it is for people to secure an affordable place to live right now. Rental vacancy rates were 0.4% in May 2022 coupled with average house rents skyrocketing over 11 % in the last year alone. Our loans won't address these issues but can really assist Tasmanians on low incomes who find the cost of the upfront bond and/or the first few weeks rent a barrier to taking up the rental available to them.

"NILS Tasmania, our funders and our network just want to provide more safe affordable credit and help relieve the financial stress people are under, and from next week our loans will not just assist people to furnish their house but may assist them to get a safe roof over their heads." commented John Hooper

Housing Connect, through State Government funding, already offer assistance with bonds and rent for Tasmanians who are eligible, and NILS Tasmania are working in partnership with them to ensure clients we support are those that do not fit their criteria. If people can't get support with Housing Connect for their rental bond then NILS Tasmania may be the solution for them.

We know the mental and emotional stress of debt, and that feeling of not being in control of your finances, is crippling and destroys families. We know that our \$3.9 million in loans last year, when compared to predatory rent to buy schemes, saved Tasmanians over \$9.5 million in fees and charges. We are very proud of that.

Greg, a NILS Tasmania client with severe medical conditions, recently told us that by using NILS Tasmania to help buy what he needed for his house he was finally able to get rid of the debts he had with predatory lenders. He said: *"Through NILS I am saving \$200 a fortnight so I am able to go to the doctors when I want, I am able to get my medication on time. It's not a choice between food or warmth or to have all of your medication ... It's a lifesaver"*

NILS Tasmania is a not-for-profit community organisation that provides no interest loans for essential household goods and services up to \$2,000. Our clients get the quote for the product/service they want from the supplier of their choice, apply through one of 100 community access points across Tasmania and once the loan is approved, we purchase the goods on their behalf.

There are no credit checks, no credit reporting, no fees and no interest. Our loans are available to Tasmanians on a concession card or who earn under \$55,000 gross as a single person, or \$75,000 as a couple or single person with children.