

Funding for Strata Insurance Premiums

Lannock Strata Finance has developed a simple insurance premium funding product to assist an owners corporation⁺ (OC) or community association pay its annual insurance premium by instalments in times of financial hardship.

⁺Owners corporation is also called a strata corporation, body corporate or strata company.

Easy monthly instalments	Fixed interest rate	Release cash flow
Pay for annual insurance in 12 monthly instalments* that suit your cashflow	Know what your monthly repayments are over the course of the 12-month term*	Free up your cash flow and reduce the burden on the administration fund tied up in insurance premiums

** Longer terms available on request.*

How does it **work?**

- Lannock will provide funds to your owners corporation (OC) to enable payment of the strata insurance premium
- The OC will make 12 equal payments to Lannock via direct debit commencing one month after the day that funds are provided (longer terms are available if required)
- The funding is for the amount of your annual strata insurance premium, there are no minimums or maximums
- Unlike standard forms of premium funding, Lannock will never cancel your insurance, even if you miss a payment
- We will not ask for personal financial information from owners.
- The loan is unsecured – there are no mortgages, charges, liens, caveats or guarantees
- There are no fees charged to the OC – no establishment or approval fees, no monthly fees
- There are no fees or penalties if you have a payment in arrears
- We do not make any payments or pay commission to 3rd parties such as your strata manager, broker or insurer

How do I access **strata premium funding?**

1. Contact Lannock direct via strata@lannock.com.au or ask your strata manager to contact us. You need to provide:
 - Your name and contact details
 - Your strata manager's name and contact details
 - A copy of the insurance tax invoice or renewal invitation
 - A recent (last 6 months) bank account statement of the OC
2. Lannock will send you a contract – the contract includes an undertaking that this funding will be ratified at the next general meeting.
3. The OC or strata manager executes the contract (under delegation or approval of a general meeting, check which applies in your state) and associated documents and returns them to us at strata@lannock.com.au.
4. If the OC executed Loan Contract is received by the close of business on a Friday, funds will be available in the OC's bank account the following Thursday to enable you to pay the strata insurer.

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FAQs

What is the interest rate?

8.00%pa. The interest is calculated on the reducing balance of the funding.

How is the interest rate calculated?

See the examples below for typical strata insurance premiums:

Insurance Premium	\$5,000	\$10,000
Interest Rate pa	8.00%	8.00%
Number of Payments	12	12
Monthly Payment	\$434.94	\$869.88
Total Payments	\$5,219.31	\$10,438.61
Interest Paid	\$219.31	\$438.61

How are repayments made?

We will make a direct debit on the owners corporation's bank account each month.

Can we extend the term?

The standard term is 12 months, but the OC can have up to 24 months if desired.

Does this loan comply with the Consumer Credit Code?

Yes. Please refer to the Loan Contract for all terms and conditions.

Can the OC use this funding for things other than the insurance premium?

No. If you need funds for other purposes, please contact Lannock on 1300 851 585 about our [Levy Assist loan](#).

Get in touch today

Our team are ready to answer any questions you may have.

 **1300 851 585**

 strata@lannock.com.au

 www.lannock.com.au