Life Change Checklist

Income drops, loan terms ending and separation, for debt recycling households

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Key Dates

Leave or last full pay date	
Interest-only expiry	Per split
Fixed rate expiry	Per split
Buffer target	Monthly shortfall x months, plus three months

For Any Change

- [ ] Pause new cycles; money already invested is unaffected
- [ ] Keep the buffer in offset on the home split
- [ ] Never draw living costs from an investment split
- [ ] Tell your accountant before any loan change
- [ ] Keep the tracing ledger current

Redundancy or Reduced Hours

- [ ] Hold any payout in offset, not on the investment split
- [ ] Choose: hold, pause, switch to interest-only or sell down
- [ ] Ask your lender about hardship before you fall behind
- [ ] Ask your accountant to review any PAYG withholding variation
- [ ] Reduced hours: set a review date so the loop does not stop by default

Interest-Only Expiry

- [ ] Work out the new principal and interest repayment
- [ ] Decide: extend, refinance, revert or re-amortise
- [ ] Ask for any extension while your income supports it
- [ ] Stage the higher repayment early, held in offset on the home split

Parental Leave

- [ ] Book a structure review three to six months before leave
- [ ] Note when any employer-paid leave ends
- [ ] Size the buffer against the shortfall for each month
- [ ] Lodge any loan change while on full income

Fixed Rate Expiry

- [ ] Six months out: check the revert rate and split features
- [ ] Eight weeks out: lodge the switch or refinance
- [ ] Two weeks out: confirm in writing the splits stay separate
- [ ] After expiry: check the first statement

Separation

- [ ] Get legal advice before changing any loan, title or investment
- [ ] No redraws or new cycles until advice is in place
- [ ] Give your accountant the tracing ledger and split history
- [ ] Talk to us about refinancing if a borrower needs to come off the loan

General information only. Separation outcomes are dealt with under family law: get legal advice. We arrange lending (credit assistance only); your financial adviser recommends investments and your registered tax agent confirms the tax treatment. Questions? Call 0438 376 200 or visit debtrecyclingloans.com.au/contact/.