

# Shared Equity Option

Boost your borrowing to give you a greater choice of homes in a wider range of suburbs.



Boost your borrowing with the **Shared Equity Option** and you could get the home you want sooner.

## Loan features

- » Borrow up to 33% more
- » No monthly loan repayments
- » No interest payable
- » HomeStart shares in part of the gain or loss in property value upon sale

## Are you eligible?

To be eligible for the Shared Equity Option (SEO) you will need to:

- » Meet the requirements of a HomeStart primary loan
- » Have reached your borrowing limit on a HomeStart primary loan
- » Buy an established property

## How does it work?

The Shared Equity Option is a secondary loan, taken out with a primary HomeStart loan. We work out the maximum amount you can borrow on your primary loan, based on your income and ability to make repayments. Once this is calculated you may be able to increase your borrowing power by 33% without increasing your repayments.

Rather than charging interest on the additional funds, HomeStart Finance will share in a portion of any gain or loss in property value when you sell your home. Or you can choose to pay off the Shared Equity Option by making additional lump sum repayments of \$10,000 or more.

For example, in the below scenario the Shared Equity Option increases borrowing power by **\$100,000\*** without increasing monthly repayments.

Total loan  
without SEO  
**\$300,000**



Total loan  
with SEO  
**\$400,000**



Total monthly repayments for both scenarios are **\$1,600.**

## Can I make voluntary repayments?

You can make voluntary repayments of \$10,000 or more to the Shared Equity Option, on top of the minimum repayments to your primary loan, at any time. You can also make voluntary repayments to your primary loan while you have the Shared Equity Option.

\*Based on 97% LVR. Maximum HomeStart Home Loan may vary as it is based on individual circumstances. SEO is available in metro Adelaide and some regional centres. The SEO must not exceed 25% of the total loan amount. The SEO is only available on established properties.

## Can I pay out my primary loan before my Shared Equity Option?

Yes, you can retain the Shared Equity Option for as long as you like. It does not need to be paid out until you either sell the property or refinance.

## How does the final payment on my Shared Equity Option work?

Your final payment will include the loan balance plus a portion of the gain or loss in property value when you sell. If you refinance, HomeStart will share in the property valuation gain, but will not share in any loss. For further information on how the final payment is calculated, please refer to the *Shared Equity Option key features*.



## Contact us

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[homestart.com.au](http://homestart.com.au)

Check out our blog about home ownership

[homestart.com.au/mystart](http://homestart.com.au/mystart)

Office opening hours:

Mon – Fri 8.30am – 5.30pm

Saturday 9.00am – 12.00pm



**HomeStart**  
**FINANCE**

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Eligibility criteria, terms and conditions apply. Fees and charges are payable.  
Information correct as of March 2018 and may change without notice.

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