

Low Deposit Loan

If you want to buy your first or next home, but don't have lots of savings, HomeStart's Low Deposit Loan could help you get started sooner.



Loan features

- » Low deposit (from 3%)
- » Variable, fixed or split rate
- » Options to borrow more
- » Manageable loan repayments
- » Voluntary repayments and redraw
- » Don't pay LMI

Are you eligible?

To be eligible for the Low Deposit Loan you will need to:

- » Buy or build a home in South Australia for you to live in
- » Be an Australian citizen or hold Permanent Residency or skilled migrant status in Australia
- » Be over 18 years of age and have a clear credit history
- » Have \$3,000 of savings held for at least three months
- » Have no paid or unpaid defaults, court judgements or history of bankruptcy.

Low deposit (from 3%)

Your deposit can start from as little as 3% of the purchase price. Don't forget you'll also need funds to meet other costs like fees and charges.

Variable fixed or split rate

You can choose a variable, fixed or split interest rate (part fixed, part variable). Fixed rates are available for terms of 1-3 years. You can find HomeStart's latest interest rates at [HomeStart.com.au/rates-and-fees](https://www.homestart.com.au/rates-and-fees).

Options to borrow more

You can combine your Low Deposit Loan with a secondary loan to increase what you can borrow. With most secondary loans, there's no need to make any repayments until your primary HomeStart loan has been fully paid.

Visit [homestart.com.au/homeloans](https://www.homestart.com.au/homeloans) for more information.

Manageable loan repayments

HomeStart's Repayment Safeguard works out your initial repayments based on your financial situation, not just interest rates. Usually, the only change will be an adjustment for inflation once every 12 months. So if interest rates go down, you'll pay your loan off faster. If they go up, it'll take longer.

Voluntary repayments

To help you pay off your loan sooner, you can make fee free voluntary loan repayments (unlimited for variable rates and up to \$10,000 extra per year for fixed rates). If you have a secondary loan, voluntary repayments will go to that first. If you are ahead on your loan, you can access those extra funds through our redraw facility. Redraw is not available on fixed rate loans, or the fixed portion of a split loan.

To get started, call **1300 636 878**.
Visit [homestart.com.au](https://www.homestart.com.au) for more information.

Don't pay LMI

One of the biggest charges most lenders apply to low deposit loans is Lenders' Mortgage Insurance (LMI), which you pay to protect your lender in case you default on your loan. Instead, HomeStart has a Loan Provision Charge (LPC), which costs a lot less for most customers.

For example, the table below shows LMI or LPC costs for a \$400,000 property, with a \$380,000 loan amount (5% deposit):

Westpac	ANZ	HomeStart
LMI	LMI	LPC
\$13,498	\$13,935	\$1,425

*Different LPC applies for Construction Loan.
Figures sourced online and correct as at October 2016.*

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Visit **homestart.com.au** for more information.

Terms, conditions and eligibility criteria apply. Fees and charges are payable.
Information correct as at October 2016 and may change without notice. QQP021 1610
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