

# Advantage Loan

Boost your budget by up to \$70,000



If you're on a lower income, the Advantage Loan can help you buy or build a home that suits you. With this additional loan, you may be able to borrow more to increase your budget, without increasing your monthly repayments.

This could make all the difference in finding the right property for you.

## 1. Boost your home loan

The Advantage Loan is one of our additional loans designed to boost your budget. You can only apply for it if you take out a home loan with HomeStart. The home loan will need to be for the maximum amount you're eligible to borrow before you can access the Advantage Loan.

We add the amount of your Advantage Loan to your home loan to boost your budget to buy or build a home. The combined value of both loans can't be more than \$750,000.

## 2. Repay at your pace

The Advantage Loan can increase your options without adding to your monthly repayments. However, you can make fee-free voluntary repayments whenever you want, at no charge.

You'll repay this loan when you:

- ⊙ pay out your home loan, or
- ⊙ sell your property, or
- ⊙ move out, or
- ⊙ voluntarily pay out your Advantage Loan, or
- ⊙ refinance with another lender.

Until then, you'll continue making the set repayments for your home loan.

When you pay your home loan in full, the Advantage Loan then becomes your home loan. This means your interest rate and the terms and conditions of your Advantage Loan will become the same as those of your home loan.

You'll then need to make the monthly repayments until the loan is paid off – just as you did with your initial loan.

## 3. Lower interest rate

Even though you won't need to make repayments on the Advantage Loan until your home loan has been paid off, it will accrue interest over time and the balance of the Advantage Loan will increase.

However, the interest on the additional loan is discounted, it is 25% of the Standard Variable Rate applicable to our HomeStart Home Loan.

You can see our interest rates at [homestart.com.au](https://www.homestart.com.au)

## 4. Borrow in line with your income

You may be eligible for this loan if your household earns up to \$65,000 a year, after tax.

The amount you can borrow with the Advantage Loan depends on your income and financial situation. You may be able to borrow up to a maximum of \$70,000.

We will help you work out if you're eligible and how much you could borrow.



# Advantage Loan

## The HomeStart difference

### Repayment Safeguard

The certainty of our Repayment Safeguard makes budgeting and managing your finances easier once you've purchased your own home.

With HomeStart, your initial repayments are set for the year based on what you can afford, without a fixed loan term. Changes in interest rates won't impact your repayments (they remain the same for 12 months) but can impact the duration of your loan – if rates go down, you can pay off your loan faster but if they go up, it might take longer.

Each year on your loan anniversary, we review your repayments and adjust them in line with inflation. We will let you know your adjusted repayment amount for the upcoming year before it changes.

### Additional loan options

We have a range of other additional loans to boost your borrowing power and could help turn your goals into a reality. You may also be eligible for the Starter Loan. This can help with the upfront costs associated with buying or building your home, such as any applicable stamp duty, establishment or other fees.



### To be eligible for the Advantage Loan you'll need to

- Have your home loan with HomeStart and meet all other eligibility criteria.
- Borrow your maximum home loan amount before you access the Advantage Loan.
- Have a household income of up to \$65,000 per year after tax.
- Buy or build a home to live in within South Australia.

### The Advantage Loan is not available if you:

- Have a Shared Equity Option with us.
- Have more than \$10,000 in retained savings at settlement.
- Own another property.

**Contact us**  
1300 636 878  
[homestart.com.au](http://homestart.com.au)

 **HomeStart**

 **Government of South Australia**