

Advantage Loan

If you're on a limited income and want to buy or build your own home, HomeStart's Advantage Loan could help you live where you want sooner.

The Advantage Loan can provide up to \$70,000 more when combined with a HomeStart loan without increasing your monthly repayments, so you can have more options when it comes to buying or building your own home.

Are you eligible?

To be eligible for the Advantage Loan you will need to:

- Have a primary HomeStart loan
- Borrow your maximum primary loan amount before you can access the Advantage Loan
- Have a household income of up to \$65,000 per year (\$1,250 per week) after tax

No scheduled repayments

No monthly repayment is required for your Advantage Loan. You are not required to repay the loan until you:

- Refinance with another lender, or
- Pay out your primary HomeStart loan, or
- Sell the home, or
- Move house (the home is no longer your main place of residence).

You can make fee free voluntary repayments to your Advantage Loan at any time (capped at \$10,000 p.a. for fixed rates).

Loan features

- Borrow up to \$70,000 more
- Subsidised (low) interest rate
- No scheduled repayments until you pay out the primary loan

How does it work?

The Advantage Loan is a subsidised loan, taken out with a primary HomeStart home 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, we increase your borrowing power by adding your Advantage Loan of up to \$70,000, to your primary loan amount.

Combined loans (primary loan and Advantage Loan) must not exceed \$850,000, and the property must be owner occupied whilst the Advantage Loan exists.

Borrowers may retain up to \$10,000 of personal savings, after payment of deposit and fees.

When you have paid your primary loan in full, the balance on your Advantage Loan will become the primary loan. This means the subsidised Advantage Loan interest rate ceases, and the primary loan rate and key features will apply.

Subsidised (low) interest rate

The Advantage Loan attracts a subsidised interest rate calculated at 25% of the Standard Variable Rate of the HomeStart Home Loan allowing you to borrow more at a lower interest rate. You can check out HomeStart's rates at homestart.com.au.

Some of our Advantage Loan customers

Couple with kids

40%

borrowing boost



House purchase price:	\$259,074
Annual household income after tax:	\$40,000
Primary loan	\$176,120
Advantage Loan	\$70,000
Total loan	\$246,120

Single without kids

30%

borrowing boost



House purchase price:	\$318,126
Annual household income after tax:	\$40,000
Primary loan	\$232,220
Advantage Loan	\$70,000
Total loan	\$302,220



Contact us

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homestart.com.au

 HomeStart



Government of
South Australia