

# Starter Loan

If you're finding it hard to save enough for the deposit and upfront costs to buy or build a home, HomeStart's Starter Loan could help you get into your own home sooner.

The Starter Loan can provide up to \$10,000 toward the upfront costs associated with buying or building a home with HomeStart.

## Are you eligible?

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

- Qualify for a primary HomeStart loan
- Have a net household income of less than \$75,000 for singles and \$100,000 for couples
- Not own another property
- Have enough funds to cover the deposit, but not enough for the remaining upfront costs like Stamp Duty

## How does it work?

The Starter Loan is a secondary loan taken out with a primary HomeStart loan to help cover the upfront costs for buying or building a home.

The Starter Loan has a seven-year term, with no repayments required or interest charged during those seven years. At the end of the seven years, if the Starter Loan is not paid in full, it will be reviewed and may be transferred to your primary loan balance. Depending on circumstances, all or part of the Starter Loan may be extended by HomeStart.

## Loan features

- Borrow up to \$10,000
- No interest charged for 7 years
- No repayments required for 7 years

## No scheduled repayments

Repayments are only required on your primary HomeStart loan during the seven-year Starter Loan term. After this you will need to repay the Starter Loan or, in appropriate circumstances, HomeStart may combine the outstanding Starter Loan balance with your primary HomeStart loan balance, which may increase your loan term.

You can elect to make voluntary repayments on top of the minimum repayment amount for your primary loan, at any time. These repayments must be directed to the Starter Loan, to reduce your Starter Loan balance.

## About the Starter Loan

The Starter Loan is an initiative of the 2019 South Australia State Budget and supported by the Affordable Housing Fund.

**Please note** Starter Loans are limited and are subject to the availability of funding from the Affordable Housing Fund.

## Some of our Starter Loan customers

Single without kids



# 55%

reduction in  
upfront costs

Annual household income after tax:	\$40,000
House purchase price:	\$300,000
Graduate Loan:	\$225,400
Deposit (5%):	\$15,000
Fees & charges (including Stamp Duty):	\$18,094
<b>Upfront costs:</b>	<b>\$19,758</b>
<b>Starter Loan:</b>	<b>\$10,000</b>
<b>Revised upfront costs:</b>	<b>\$9,758</b>



## Contact us

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homestart.com.au

 HomeStart



Government of  
South Australia