



Is HomeBuild Access for you?

The Northern Territory Government's HomeBuild Access package delivers more home loan options for Territorians. Loans are available for Territorians looking to buy or build a new home.

Eligibility criteria for HomeBuild Access loans

To be eligible for a HomeBuild Access home loan, you and your spouse/partner must:

- be an Australian citizen or permanent resident (or a joint applicant with spouse who is);
- be contracting to build or purchase a new property;
- not be purchasing/constructing a home that exceeds the price limits of the HomeBuild Access loan product;
- have a minimum deposit in relation to the product you are applying for;
- contract a Northern Territory licensed builder under a single fixed price building contract if you are building a house;
- live in the property as your principal place of residence for a minimum of three years after it is purchased / constructed; and
- not currently have a HomeBuild Access loan.

Price limits for HomeBuild Access

The property you purchase must not exceed the following price limits:

House size	Purchase price limit
1 - 2 bedrooms	\$475 000
3 or more bedrooms	\$550 000

If you are constructing your home, the price limit includes the cost of the land and the full construction cost of your new home.

These purchase price limits apply to all HomeBuild Access loan products.

HomeBuild Access loan types

Low Deposit Loan

This loan provides you with a Territory Government loan of up to 17.5% of the purchase price of your new home.

You will be required to obtain finance for 80% of the purchase price through an approved financier, currently People's Choice Credit Union (People's Choice).

The **Low Deposit Loan** offers:

- no income or asset limits;
- a competitive variable interest rate;
- a low 2.5% deposit requirement;
- no lenders mortgage insurance;
- no monthly service fees;
- up to a 30 year loan term;
- no application fee; and
- access to an **Off the Plan Deposit Loan** to help fund the deposit.

The **Off the Plan Deposit Loan** is only available to Low Deposit Loan applicants.

This loan can assist you by providing funds to pay the deposit when purchasing a property 'off the plan'. For more details on this loan, refer to our HomeBuild Access **Off the Plan Deposit Loan** fact sheet.

Additional Eligibility criteria for Low Deposit Loans

In addition to the standard eligibility criteria for HomeBuild Access above, **Low Deposit Loan** you must also:

- have been in your current employment for no less than twelve months. If you transferred to the Northern Territory from interstate with your current employer, you must have been employed for a total of no less than 12 months between both locations; and
- have demonstrated a satisfactory rental history or satisfactory loan repayment history on any previous home loan for a period of twelve months or more.

There are no income or asset eligibility criteria for the **Low Deposit Loan**.

Subsidised Interest Rate Loan

Specific eligibility criteria do apply for this loan.

The **Subsidised Interest Rate Loan** makes home ownership more affordable for low to middle income Territorian families.

The **Subsidised Interest Rate Loan** offers:

- a subsidised variable interest rate for the first five years of the loan term;
- a low 2.0% deposit requirement;
- no lenders mortgage insurance;
- no monthly service fees;
- up to a 35 year loan term;
- no application fee; and
- access to an interest free **Fee Assistance Loan** of up to \$10,000.

The **Fee Assistance Loan** is only available to Subsidised Interest Rate Loan applicants.

This loan enables you to borrow up to \$10,000 interest free to help with costs associated with buying a home such as conveyancing, white goods, deposit and stamp duty. The **Fee Assistance Loan** is repayable over a maximum term of 15 years.

Additional eligibility criteria for Subsidised Interest Rate Loans

In addition to the standard eligibility criteria for HomeBuild Access above, to be eligible for a Subsidised Interest Rate Loan, you must also:

- be a first home buyer in Australia;
- not exceed assessable income and assets limits (see below);
- provide evidence you are unable to access finance required to complete the purchase or construction of a new home through another financial institution; and
- meet employment criteria as detailed below.

Income and asset limits – Subsidised Interest Rate Loan

The following income or asset limits apply to the **Subsidised Interest Rate Loan**:

Household size	Annual gross income limit	Asset limit
1	\$80 000	\$60 029
2	\$97 500	\$85 735
3	\$105 000	\$135 855
4	\$112 500	\$135 855
5	\$120 000	\$135 855
6 or more	\$127 500	\$135 855

Annual gross income includes:

- wages/salary
- regular overtime
- carer allowance or carer payment
- district allowance
- first aid allowance
- housing allowance
- net profit (loss) from business
- Newstart allowance (as a supplement to other income)
- pensions, including aged, disability and veteran affairs
- vehicle allowance.

Assets include:

- cash holdings
- shares in estates
- savings
- stock market shares, bonds and investments
- superannuation funds that can be realised
- recreation vehicles such as caravans, mobile homes and boats
- value of any interest or equity in land or property.

Assets do not include personal belongings, household furniture, personal car or assets that can't be realised such as preserved superannuation funds. Documentary evidence of assessable assets may be required.

Employment – Subsidised Interest Rate Loan

The following are the minimum periods you need to have been in your current employment to be eligible to apply for a **Subsidised Interest Rate Loan**:

- **Permanent full time and part time employment** - 12 months in your current position.
- **Casual employment** - 12 months in your current position.
- **Contract employment** - 6 months in your current position and at least 6 months remaining under your current employment contract.
- **Self-employed** – minimum of 12 months trading history to allow for any seasonal fluctuations

If your employment is outside of these requirements, your income will still be included to assess whether you meet the eligibility criteria for a **Subsidised Interest Rate Loan**, but will not be included when assessing how much you can afford to borrow.

Interest rates – HomeBuild Access loans

The interest rate for HomeBuild Access loans is based on a **reference rate**.

The **reference rate** for the **Subsidised Interest Rate Loan** is the Commonwealth Bank of Australia Standard Variable Rate for home loans.

The **Subsidised Interest Rate Loan** offers a subsidised interest rate for the first five years of the loan term. At the end of this period, the loan will be converted to the full **reference rate**.

The **reference rate** for the **Low Deposit Loan** and **Off the Plan Deposit Loan** is the People's Choice's Standard Variable Rate for home loans.

For the latest interest rates for all HomeBuild Access loan products, check the HomeBuild Access **Comparison Rate Sheet**.

If you move out of the property as your principal place of residence, a non-occupancy interest rate will be applied to your home loan and, in the case of the **Subsidised Interest Rate Loan**, you will also lose your interest subsidy. Please refer to the **Occupancy Requirements** fact sheet for more information.

How to apply

People's Choice Credit Union accepts, assesses and manages HomeBuild Access loans on behalf of the Northern Territory Government.

For more information you can call 8943 3319 and you will be referred to a specialist within People's Choice who will assist with your enquiry.

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