

Affordability for First Home Buyers Fact Sheet

Description

In an environment of economic uncertainty, high rental costs and property prices, trying to afford a home has become increasingly difficult for the average Australian. This affordability guide will assist you in choosing the loan and affordability option that is right for you when buying your first home.

Home Loan Options

Base Variable Rate (3 Year Special)	No Fee Variable Rate	Fixed Rate	Packages
No frills home loan. A simple loan with a low variable rate. Current offer: receive \$0 Loan Service Fees for the life of the loan.	Pay no Bank fees* and receive an interest rate discount compared to the Standard Variable Rate for the life of the loan.	Protect yourself against interest rate movements. Choose from a range of fixed rates so your monthly repayments are guaranteed for a defined period of time.	For one low annual fee, you will get great savings and benefits on a range of Commonwealth Bank products and services.

Affordability Options

	What is it?	Key features	Who is it for?	Advantage
Property Share	An affordability option which makes it easy for unrelated people to buy a property together.	Two parties can have separate loans in their own name to buy a property together. Each party guarantees the other.	First home buyers or investors who want to buy together and keep their finances separate.	Each party buying the property can choose their own loan type and duration, manage their own repayments and the loans can be for different amounts.
Guarantor Support	A Guarantor mortgages their property as additional security.	The Guarantor's property is additional security for the loan.	Designed for first home buyers or investor's who do not have sufficient savings/deposit to complete the purchase.	Allows borrowers to purchase property where they otherwise could not afford the loan or would have to pay Mortgage Insurance.
Interest Only	To reduce monthly payments customers can choose to pay only the interest on their loan for up to 10 years.	Customer can pay only the interest component of their loan for up to 10 years.	This option will help reduce the monthly payments for the first 10 years of the loan.	Paying only the interest on the loan will reduce monthly payments to free up funds for other household expenses.

Things You Need to Know:

- * Lenders Mortgage Insurance Premium/Low Deposit Premium (if applicable) and Government charges apply;
- Applications for finance are subject to our normal credit approval;
- Full terms and conditions will be included in our loan offer. Fees and charges apply;
- An annual fee and eligibility criteria applies to Packages and terms and conditions are available on application.

