

# Go-Between Loans

## Frequently Asked Questions

### What is a Go-Between Loan?

A Go-Between loan offers you an easy way to purchase or build a new home before you sell your existing one. Rather than needing to make two sets of loan repayments while you are selling your existing home, no repayments are required on the new home loan for the Go-Between period. The length of your Go-Between period depends on whether you are buying or building your new home:

#### Buying an established home

- A new loan is established to purchase the new home.
- You continue to make repayments on your existing loan.
- In the meantime, interest is charged to your new home loan account as normal. You do not need to make any repayments on that loan for 6 months, or until you sell your existing property, whichever occurs first.

#### Building a new home

- A new loan is established to purchase the land (if required) and to cover the cost of construction.
- You continue to make repayments on your existing loan.
- In the meantime, interest is charged to your new home loan account as normal. You do not need to make any repayments on that loan for 12 months, or until you sell your existing property, whichever occurs first.

### How much can I borrow?

You can borrow up to 100% of the value of your new home plus any associated fees & charges. As long as your combined loans do not exceed 85% (or 80% for Lo Doc loans) of the combined value of both your new and existing properties (after taking into account the amount of interest that will be charged on the new loan during the Go-Between period).

Assessment is based on the repayment that will be required once the existing home is sold. The repayment amount will be based on the end loan of:

- The loan required to purchase/build the new home; plus
- Interest that accumulated on the new loan during the Go-Between period; less
- The agreed amount by which the new loan can be reduced upon sale of the existing property.

### What are my interest rate options on a Go-Between Loan?

You can choose a balanced variable or any of our great fixed rates, as well as any of our Lo Doc rates, if this option suits you better. A Go-Between option is available on our 100% Offset Home Loan.

Also, Go-Between is available for both principal & interest and interest only repayments.

### What if I have a loan with another lender?

There is no need to go through the hassle of moving your existing home loan to us during the Go-Between period. We will set up the new home loan for you, and register a second mortgage behind your current lender on your existing home.

Throughout the Go-Between period interest will be charged to the new home loan (with us) and you will continue to make repayments on your existing home loan (through another lender).

### What happens when my existing home is sold?

Once your existing home is sold, you must first use the funds to pay out your existing home loan, then:

#### Where your new home is established or newly completed:

You must pay sufficient funds into your new loan, so that the loan reduces to the amount specified in your Go-Between loan contract.

#### Where your new home is still being built:

We will advise you if any of your surplus funds will need to be put towards the construction cost, before any further funds are provided by us. Rest assured this will never be more than you agreed to at the start of the Go-Between period.

### What if I don't sell my existing home in the Go-Between period?

Once the Go-Between period ends and the existing home has not been sold, you will need to start making repayments on the new home loan in addition to the repayments you have been making on the existing home loan.

### Downsizing

If you are an existing customer, you may pay out **all** of your loans at the end of the Go-Between period. A higher contract preparation fee applies and the only interest rate available is the balanced variable rate.

