

Adelaide Bank Go-Between Loan (Bridging Finance)

- A bridging loan which allows you to purchase or build a new home before selling existing one
- Borrow up to 100% of the cost of construction or purchase price, plus fees and associated purchase costs
- Make no repayments on new loans (Interest capitalises)
- No need to refinance existing loan facility

Interest Rate

No repayments required for up to 6 months for established properties and up to 12 months for properties being constructed (interest capitalises during this time). Can revert to Principal and Interest or Interest Only (for up to 10 years) repayments after this initial period. Rates can be variable or fixed (up to 5 years)

Loan Term

30 years

LVR Limits

Maximum LVR is 85% against the value of both properties. 100% of purchase cost can be financed plus fees and associated purchase costs

Products Availability

The ABL Go-Between can revert to both Full Doc and Lo Doc ABL products including 100% Offset Home Loan. Split loans are also available

Construction

Available for new homes, no repayments for 12 months (interest capitalises and starts from the first drawdown)

Serviceability

Serviceability is based on end debt, with peak debts of up to \$3.5M permissible (lower LVR limits apply to peak debts over \$1M). There is no need to refinance existing loan facility

Fees

Establishment Fee

- \$495, includes one standard valuation to \$250 (please note 2 valuations required – one for property selling and one for property purchasing)
- Lender's legal's borrower paid
- Additional Valuations \$250 each, standard valuations only. Properties over \$300,000 or in remote areas may incur additional fees

No penalties to discharge existing security

No interest rate loading



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

Where you are 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

Where you are 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, any of our great fixed rates, or any of our Lo Doc fixed and variable rates.

The Go-Between option is available on our 100% Offset Home Loan and is available for both principal & interest and interest only repayments.

What if I have a loan with another lender?	You will need to refinance this loan during the settlement of the Go-Between loan. We must hold a 1st registered mortgage over all related securities.
What happens when my existing home is sold?	<p>Once your existing home is sold, you must first use the funds to pay out your existing home loan. You must then:</p> <p>Where your new home is established or newly completed Pay sufficient funds into your new loan, so that the loan reduces to the amount specified in your Go-Between loan contract.</p> <p>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.</p>
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 <u>all</u> of your loans at the end of the Go-Between period. A higher contract preparation fee applies and the only interest rate option available is the balanced variable rate.