



Getting off the rental treadmill

How the extended loan term option could get you into your own home

Meet Jess,

Jess is an experienced registered nurse.

She is currently renting at \$595 per week.

Her gross income per annum is \$93,000 (including penalty rates & overtime income).

She wants to purchase an existing home for \$500,000.

She has \$75,000 saved in a cash investment account.

This saving will cover just over 10% of the purchase price of the existing home plus insurance.

As a first home buyer in Tasmania, she also qualifies for the Tasmanian Government 100% Stamp Duty Concession.

Her purchase can proceed based on her single salary and a:

- A loan from Bank of us of \$440,000.
- Current 100% First Home Buyer stamp duty concession from the Tasmanian Government

Her assessed home loan repayments per week as at the date of assessment are \$638.38 on a 40 year loan term. If the loan was set over a 30 year term loan, Jess's repayment would be over \$700 per week and she would not qualify for the loan based on a Bank of us assessment.

For an extra \$44 per week (she pays \$595 in rent), plus some ongoing property ownership costs, she gets on the property ladder and the opportunity to invest further in her own home.

All information within this scenario is provided for information purposes only and should not be relied upon to decide whether the extended loan term option is right for you. Not mentioned are other Bank of us lending assessment criteria that may determine if an individual qualifies for an extended loan term option. A standard variable interest rate at current market rates was used to prepare this scenario which may change without notice. In all circumstances, the decision to enter a home loan arrangement with Bank of us is your own responsibility. This information is not financial or other advice and does not take any person's objectives, financial situation, or needs into consideration. You should seek your own independent financial and legal advice as to whether a particular home loan is suitable for you. You should refer to a Bank of us Home Finance Specialist for our lending criteria, terms and conditions and fees and charges. Full details available on application. July 2024.

