

First Home Buyers

We'll help
make buying
your first
home easier



First Home Buyer
'First Home Buyer Award'
recognised in 2008 by CANEX.





Buying your first home doesn't have to be complicated. We'll take the hassle out of choosing the right loan and handle your application quickly and efficiently. So buying your first home is what it should be – exciting.

Talk to a Westpac Home Loan Expert today.

Call 131 900

Ask at your local branch

Visit westpac.com.au

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WHY WESTPAC?

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'First Home Buyer Award'
recognised in 2008 and
2009 by Canstar Cannex.

First Home Buyer

There are a lot of home loans available from a wide range of banks and lenders – here are some reasons to choose Westpac for your home loan.

Interest rate discounts

Enjoy up to 0.7% p.a. discount on the standard variable rate for selected loans over \$250,000 packaged with Premier Advantage. A package fee applies. See page 21 for more information on package benefits.

Award-winning home loans

- In 2008 and 2009, Westpac was the only financial institution amongst 115 to win the Canstar Cannex First Home Buyer Award.

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The dedicated help of our Westpac Home Loan Experts

- **Save you time** – our Westpac Home Loan Experts can help you choose the right loan. And some of our team can even come to your office. Just call us to work out a time that suits you.
- **Save you interest** – they can show you how to cut years off your loan term, build equity faster and leverage it for investment.
- **Save you money** – a 10-minute personal illustration will demonstrate scenarios to show you different ways you can save money.



STEPS FOR OBTAINING YOUR FIRST HOME LOAN

1. How much will I need?
2. How much can I borrow?
3. Choosing the right loan
4. Pre-approval
5. Formal approval and settlement

HOW MUCH WILL I NEED?

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Your deposit

This is usually a minimum of 5% of the purchase price. If you're ready to buy and don't have a deposit saved, we may be able to lend you 97% of the purchase price, so you can own your home sooner.

Purchase price	Minimum deposit	
	With Lenders Mortgage Insurance*	Without Lenders Mortgage Insurance*
\$200,000	\$10,000	\$40,000
\$300,000	\$15,000	\$60,000
\$400,000	\$20,000	\$80,000
\$500,000	\$25,000	\$100,000
% of purchase price	5%	20%

Deposit Protect Bond

If you don't have your deposit ready, you can delay paying it until settlement with this convenient alternative to a cash deposit. See page 23 for more details.

Family guarantee

If you don't have a deposit, you may be able to use a guarantee from your parents (supported by a mortgage over their property) as equity to assist you with your first home purchase.

* Lenders Mortgage Insurance insures the lender against non-payment or default on a residential property loan. It allows you to borrow more against a property than you could otherwise borrow, but it also increases the upfront costs. This estimate does not take into account money you will need for upfront costs.



HOW MUCH CAN I BORROW?

We can work out how much you can afford to borrow or you can do it yourself.

Calculators

We offer online calculators that can quickly figure out how much you can borrow, what deposit you need, your repayments and more. Just visit westpac.com.au

The table below gives you some examples of the average repayments based on a 25-year loan.

Interest rate p.a.	\$150,000 loan	\$250,000 loan	\$500,000 loan
at 5% p.a.	\$877 per month	\$1,462 per month	\$2,923 per month
at 5.5% p.a.	\$922 per month	\$1,536 per month	\$3,071 per month
at 6% p.a.	\$967 per month	\$1,611 per month	\$3,222 per month
at 6.5% p.a.	\$1,013 per month	\$1,689 per month	\$3,377 per month
at 7% p.a.	\$1,061 per month	\$1,767 per month	\$3,534 per month
at 7.5% p.a.	\$1,109 per month	\$1,848 per month	\$3,695 per month
at 8% p.a.	\$1,158 per month	\$1,930 per month	\$3,860 per month

Assumptions: The table above doesn't take into account bank fees or government charges. Interest rates remain unchanged for the full term of the loan and repayments are made on time.

Stamp Duty

Stamp Duty is a government tax payable by the buyer of a property. Most states and territories in Australia offer Stamp Duty concessions to first home buyer purchases. Visit firsthome.gov.au to find out if you are eligible for a discount.

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What is the First Home Owner Grant?

To help people buy their first home, the Federal and State Governments provide you with a one off payment.

How do I qualify?

1. You must be an Australian citizen or a permanent resident.*
2. You must be at least 18 years old.
3. Your house must be your principal place of residence for a continuous period of 6 months within the first year of owning it.
4. You must be buying or building your own home.
5. The house must be in the same state or territory in which the application is made.
6. You have never owned a property or received the grant before. This includes your spouse or de facto if you are co-owners.

How do I apply?

A Westpac Home Loan Expert can process the grant for you or you can apply through a solicitor.

Like to know more?

Visit www.firsthome.gov.au

* Requirements vary between states/territories regarding the number of applicants who must be Australian citizens or permanent residents. You should check the eligibility criteria in your state or territory.



CHOOSING THE RIGHT LOAN

Getting your first home starts with asking yourself what you need in a loan to suit your lifestyle and plans. This section shows how Westpac can help, depending on your home loan needs now and in the future.

If you are:	Westpac can offer:
Looking to own your first home sooner	Expert advice on how best to utilise our range of unique features to achieve your goals

Here's how we can help

- Our Premier Advantage Package lets you save up to 0.7% p.a. on the standard variable interest rate on selected loans over \$250,000. A fixed rate discount of 0.2% p.a. is also available when you package your loan*. See page 21 for more information on package benefits; a package fee applies.
- A 100% offset account, as offered with our award-winning Rocket Repay Home Loan. It's where every dollar in your transaction account reduces the balance in your loan on which home loan interest is charged. The more funds you have in your offset account, the more you'll save in interest. See page 16 for more details.

* Minimum loan amount is \$150,000.



If you are:	Westpac can offer:
Looking for certainty in your repayments	A competitive fixed rate home loan

Here's how we can help

- Our fixed rate loan can give you certainty of repayments for a period of 1 to 5, 7 or 10 years.
- At Westpac this type of loan is called a Fixed Options Home Loan. It allows you to switch to a variable rate loan when the fixed period expires.

If you are:	Westpac can offer:
Looking for flexibility and want to keep your options open	A variable rate and a range of flexible features

Here's how we can help

- Our basic variable loan will offer you greater flexibility than a fixed rate loan. If you choose our Flexi First Option Home Loan, you can access a range of features on a pay-as-you-use basis such as Top-up and Reduced repayments, while also being free to make extra repayments without any restrictions.
- Our Combination (Split) Loan gives you the best of both worlds where you can split your loan into fixed and variable parts – and you choose the proportions. See page 20 for more details.



FLEXIBLE FEATURES EXPLAINED

A home loan with flexible features gives you a range of options, from making extra repayments to reducing your repayments when your circumstances change. Read on to see which home loans have the features you need.

HOME LOAN FEATURES

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- **Extra repayments.** Make as many as you like to reduce interest payments.
- **100% offset.** It's where every dollar in your transaction account reduces the balance in your loan on which home loan interest is calculated.
- **Redraw.** Access any extra money you've built up in your home loan, for any purpose at any time.
- **Top-up.** Increase the limit on your existing home loan.
- **Parental leave.** Reduce your repayments by up to 50% for as long as 6 months when a new baby comes along.
- **Reduced repayments.** Reduce your repayments by up to 50% for as long as 6 months during periods of large expenses such as extended holidays or renovations.
- **Repayment holiday.** If you've built up extra funds in your home loan, you can stop making repayments for a while.
- **Portability.** Take your home loan with you when you move to another property.
- **Interest only.** Pay interest repayments only for up to 10 years.
- **Construction.** Allows you to make progress payments to builders.
- **SmartPay.** Lets you deposit all of your income into your loan account. You can then arrange automatic transfers to pay your bills and access regular cash deposits. Every day that you have extra money in your account saves you interest.
- **Low Doc.** If you're self-employed, you don't need a standard income verification document to apply.

Fees, conditions and usual credit criteria may apply.

Call 131 900, ask at your local branch or visit westpac.com.au



COMPARE OUR LOANS SIDE BY SIDE

Size up your Westpac Home Loan options here – then turn to page 16 onwards for more detail on the loan or loans you’re most interested in.

	Variable rate loans	
	Rocket Repay Home Loan	Flexi First Option Home Loan
Extra repayments allowed	Yes	Yes
100% offset	Yes	No
Redraw	Yes	Yes*
Top-up	Yes*	Yes*
Parental leave	Yes*	Yes*
Reduced repayments	Yes*	Yes*
Repayment holiday	Yes	Yes
Portability	Yes*	Yes*
Interest only	Yes	Yes
Construction	Yes*	Yes*
SmartPay	Yes	No
Direct salary credit	Yes	No
Low Doc version available	Yes*	No

* These features are available but fees and conditions may apply.

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		Fixed rate loans	Line of credit
Bridging Loan		Fixed Options Home Loan	Equity Access Loan
Yes		Yes*#	Yes
No		No	No
No		Yes*#	Yes*
No		No	Yes*
No		No	No
No		No	No
Yes*		Yes*	Yes
No		Yes*	Yes*
Yes		Yes	Yes
Yes*		Yes*	No
No		No	Yes*
No		Yes*	No
No		Yes*	Yes*

You've got the freedom to repay up to an extra \$25,000, on top of your minimum repayments during the fixed rate period without penalty, which you can also redraw at any time.



VARIABLE RATE LOANS



First Home Buyer

'First Home Buyer Award'
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A variable rate comes with flexible features – like the ability to make extra repayments without penalty.

Rocket Repay Home Loan

Rocket Repay lets you pay off your home loan faster and could help reduce the interest you pay. It works like this:

- It comes with an optional 100% offset account – which is a transaction account that's linked to your home loan.
- Every dollar you keep in your offset account reduces the outstanding balance in your loan account on which home loan interest is calculated.
- You have easy access to the funds in your loan account and offset account via ATM, Debit MasterCard®, EFTPOS, Cheque, Online Banking, Telephone Banking, and BPAY®.
- Plus, it's a home loan full of extra features including Redraw, Extra repayments, Portability, Parental leave, Repayment holidays and Top-up. You'll also receive a free offset transaction account.

Flexi First Option Home Loan

Our Flexi First Option Home Loan offers a lower variable rate. While it's a basic home loan, you can still get access to flexible features on a pay-as-you-use basis.

For no account keeping fees, you can have access to a range of flexible features including: Redraw, Repayment holiday and Top-up and only pay for the features you need.

Bridging Loan

If you're selling one property and buying another, our Bridging Loan lets you finance the purchase while your current property sells. This means you're empowered to go after the property you want, without being held back by the practicalities of a sale.



FIXED RATE LOANS

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A fixed interest rate offers the security of knowing your repayments won't change during the selected fixed term.

Fixed Options Home Loan

If you want protection from interest rate fluctuations, the answer is our Fixed Options Home Loan. And fixed doesn't mean rigid – it comes with a degree of built-in flexibility.

- You can fix your interest rate for 1 to 5, 7 or 10 years.
- Package your loan with Premier Advantage and you could receive a 0.2% p.a. discount on the fixed rate if your loan amount is over \$150,000.
- At the end of your fixed period, your loan converts to the flexible variable rate Rocket Repay Home Loan (see page 16) or you can choose to re-fix if you wish.
- You've got the freedom to repay up to an extra \$25,000, on top of your minimum repayments during the fixed rate period, without penalty, which you can also redraw at any time.
- If you're building, you can access the Construction feature, which lets you make progress payments to your builders.

Secure your fixed rate

Westpac offers the opportunity for customers to lock in their fixed rate from the time of application through to the settlement date – up to 90 days. This ensures that if fixed rates increase through the settlement process, your rate will be protected. The fee to lock in your fixed rate is 0.15% of the loan amount.

EQUITY ACCESS LOAN

If you've already paid off part of a property or its value has increased, you can use some of the available equity to raise money for any worthwhile project or purpose (including investments) through an Equity Access Loan. It works like a revolving line of credit:

- You can borrow up to 92%* of the value of your property, at home loan interest rates.
- Only pay interest on the funds you draw down.
- Draw down money as you need it.
- No need to make repayments while your loan balance is below your approved limit.
- You have access to flexible features such as Portability, Top-up, Repayment holiday and SmartPay.
- Get flexible access to your funds via ATM, Debit MasterCard®, EFTPOS, Cheque, Telephone Banking, Online Banking and BPAY®.

* Lenders Mortgage Insurance required for loans with a Loan to Value Ratio (LVR) over 80%.



OTHER LOAN OPTIONS

Our aim is to offer the right loan for every circumstance – which is why we offer extra home loan options like these.

Low Doc Loans

If you're self-employed, you don't have to provide a standard income verification document to apply. It works like this:

- You simply sign a Borrower's Income Declaration when you apply.
- The Low Doc option is available on Rocket Repay Home Loan, Fixed Options Home Loan or Equity Access Loan.

Family Guarantee

You may be able to use a guarantee from your parents (supported by a mortgage over their property) as equity to assist with your first home purchase.

Combination (Split) Loan

If you want fixed interest on one hand and flexible features on the other, our Combination (Split) Loan offers you the best of both worlds.

You can split your loan into up to three parts, choosing from fixed, variable and equity access portions.

Fees, conditions and credit criteria may apply.

Call 131 900, ask at your local branch or visit westpac.com.au

PACKAGE BENEFITS

A packaged home loan allows you the convenience of combining your home loan with your regular banking in order to enjoy a number of everyday banking savings.

Premier Advantage Package

Our Premier Advantage Package could save you up to \$1,750 in interest in the first year of your loan* for an annual package fee of just \$395. It offers you:

- Up to 0.7% p.a. discount on the standard variable rate for Rocket Repay and Equity Access Loans.
- A 0.2% p.a. interest rate discount on fixed rate property loans.†
- No establishment fees or monthly service fees on selected loans.
- No annual fee on selected credit cards. ^
- No monthly service fees on a Westpac Choice transaction account. ^
- 5% off annual Home and Contents Insurance premiums.
- 10% off Mortgage Secure premiums.

For more information, talk to your Westpac Home Loan Expert.

* Based on a Rocket Repay Home Loan discount of 0.7% p.a. on the current interest rate as at 10 March 2010 based on a secured loan of \$250,000 over a 25-year term. Calculations are based on interest savings only and assume the interest rate is constant over the period. The 0.7% p.a. discount is available on selected variable rate home loans over \$250,000, packaged with Premier Advantage. You will continue to receive the discount for as long as you remain in the package and continue to meet all qualifying criteria, including payment of the \$395 p.a. package fee. The package may be reviewed, amended or withdrawn at any time.

^ Package qualifying criteria, fees and conditions apply and are available on request. These may be varied or new terms and conditions introduced in the future.

† For loan amounts over \$150,000. Not available on existing fixed rate loans.



MORE HOME LOAN HELP FROM WESTPAC

We can also offer you assistance with related areas of your property purchase. You might like to consider:

Deposit Protect Bond¹

A Deposit Protect Bond is an alternative to paying a cash deposit when buying your new property and delays the need to pay the deposit until settlement. It means you don't have to dig into your savings or investments upfront, and if you're relying on government subsidies it's perfect to tide you over until they come through at settlement.

Residential Home and Contents Insurance²

Protect the new home you've worked hard for and the things you treasure. Mix and match three levels of cover to protect your Building and Contents against loss or damage and add extra protection for precious treasures such as jewellery, cameras and laptops in and away from your home.

Mortgage Secure³

This insurance helps you meet housing and investment loan commitments by providing cover up to \$750,000 in the event of your death or a terminal illness. In addition, there is an optional Living (Trauma) benefit.

1, 2, 3: For important information on Deposit Protect Bond, Residential Home and Contents Insurance and Mortgage Secure please refer to the back of the brochure.

PRE-APPROVAL

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Pre-approval is conditional approval from Westpac for your loan. It means your loan will be approved, subject to the Bank's normal lending criteria (verification of income, identification, credit check, etc.).

Pre-approval means that you:

- Have an indication of how much you are able to borrow.
- Have a realistic budget when you shop for a property, confirmed by an entitlement certificate.
- Can be treated as a serious buyer by an agent.

How to obtain pre-approval

Pre-approval is the first stage in the loan application process and can take just 10 minutes. There are three ways to apply for a loan with Westpac:

- Online.
- In person.
- Over the phone.



FORMAL APPROVAL AND SETTLEMENT

Formal approval

- Once you have found your property you will need to obtain formal approval from Westpac for your loan. You will need to provide evidence of the details you gave in pre-approval.
- Once you provide a copy of the front page of the sale contract, Westpac will undertake a valuation to ensure the property is acceptable to be held as security. This will be completed within your cooling-off period and will allow Westpac to provide you with an unconditional approval.

Insurance

- We recommend you consider taking insurance during your formal approval. See page 22 for more details or visit westpac.com.au

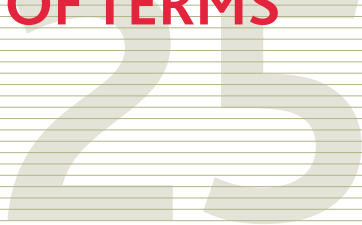
Settlement

- Settlement describes a process where titles are exchanged between buyer and seller and the bank registers a mortgage over your property.
- Subject to the state you live in, we recommend you enlist the aid of a solicitor/conveyancer/settlement agent to help you through the formal settlement process. These services will generally cost around \$1,500.

Track your application online

Check your loan status easily at westpac.com.au. You can even print off your approval certificate.

GLOSSARY OF TERMS



Appraised value. Estimate of the value of a property being used as security for a loan.

Body corporate. Corporation controlled by the owners of the unit within a multiple occupancy building which manages the building and common area.

Comparison rate. The interest rate on a loan, which includes interest and most (but not all) fees and charges for the loan. Allows you to compare different loans.

Contract of sale. The written agreement outlining terms and conditions for the sale of the property.

Conveyancing. Legal process for the transfer of ownership of real estate.

Cooling-off period. A period of time, which may vary between 24 hours and 14 days (depending on the type of contract), during which a person or organisation can decide not to continue with a contract. Cooling-off periods vary in each state of Australia.

Drawdown. Transfer of money from lending institution to the borrower before or after the loan has settled.

Equity. Indicates the financial interest of a person in a property or business enterprise, e.g. a person's equity in his/her house is the difference between its value and the amount still owed to the lender.

Establishment fee. The fee charged for making a loan application.

Guarantor. Person/s who agree to be responsible for the payment of the loan if the borrower defaults or is unable to pay.

Holding deposit. An amount of money put into a bank account, or left with a person or company to secure the purchase of an item.



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Interest only loan. Enables you to repay only the interest during the term of the loan. At the end of the loan term, you repay the principal as a lump sum or refinance your loan. As you would expect, repayments are lower than with a standard principal and interest loan.

Lenders Mortgage Insurance. Insures your lender against non-payment or default on a residential property loan. Mortgage insurance makes it possible for buyers to borrow up to 97% of a property's value.

Line of credit. An amount of money that can be borrowed, but on which interest is only paid when some or all of the credit is accessed.

Loan to Value Ratio (LVR). This is the amount of the loan compared to the value of the property or asset purchased with the loan funds, expressed as a percentage. For example, a loan of \$400,000 to buy a property worth \$500,000 results in a loan to value ratio of 80%. Banks will place a limit on the loan to value ratio depending on things such as the type of property, the location and the financial position of the borrower.

Mortgage. A document drawn up between a borrower and lender, giving the lender a conditional right to the property held as security for the repayment of the money lent.

Mortgagee. The person or organisation who lends the money to purchase the goods or property.

Mortgagor. The person or organisation who borrows the money to purchase the goods or property.

Principal. The amount of the loan upon which interest is calculated and charged.

Security. Usually the property you are purchasing. It is the property the bank can claim in case you default on the loan.

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Stamp Duty. A State Government tax, payable for 'stamping' of legal documents. The amount varies according to the amount borrowed and the purchase price.

Strata title. A title which gives you ownership of a 'unit' of a larger building which you may sell, lease or transfer at your discretion. Also entitles you to membership of the body corporate.

Title search. A search undertaken of records registered at the Land Titles Office to confirm interests in a particular land property. A title search shows interests, such as proprietor, mortgagees and charges. The search also reveals any restrictive covenants and easements which affect the estate or interest.

Vendor. One who offers a property for sale.



TALK TO A WESTPAC HOME LOAN EXPERT

Come and see our Westpac Home Loan Experts at any branch, call us on 131 900, visit westpac.com.au or talk to us about meeting you at your home or office.

Got it	Meeting Checklist
	Pay slips for your last two consecutive pay periods.
	Last year's Group Certificate or Tax Return.
	If you're self-employed, your last 2 years' Business/ Company Tax Returns (including balance sheet and profit and loss statement) and your last 2 years' Personal Tax Returns or Assessment Notices.
	Details of your monthly expenses, including loan and credit card limits and repayments.
	Details of assets (what you own) and liabilities (what you owe).
	Confirmation of other income or expenses (e.g. trust income, child support payments).
	Proof of savings (statements or passbook).
	For refinancing from another lender, a copy of your last 6 months' loan statements and your Title details (Volume number and Folio number).
	For property purchases, a full copy of the Contract of Sale (if available).
	If you're building: plans, specifications, council approval, a Builders Contract (or if you're the builder: an Owner Builder Independent Adviser's Report).
	Copies of identification documents such as drivers licence, passport or birth certificate.

A large, light green number '29' is centered on a background of horizontal lines, resembling a musical staff. The number is rendered in a clean, sans-serif font. A thin red horizontal line is positioned above the musical staff lines.

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Questions? Details? Make your notes here.



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Questions? Details? Make your notes here.

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Questions? Details? Make your notes here.



Things you should know: This document has been prepared without taking into account your objectives, financial situation or needs. Because of this you should, before acting upon this information, consider its appropriateness, having regard to your objectives, financial situation and needs and you should seek independent financial advice on any financial matters. Conditions, activation and/or access fees may apply to some loan features. Any application for credit is subject to the Bank's normal lending criteria. Fees and charges apply. Full details of all product terms and conditions are available on request. These may be varied, or new terms and conditions introduced, in the future. Information current at 10 March 2010.

1. Westpac Deposit Protect Bonds are issued and guaranteed by Westpac Banking Corporation ABN 33 007 457 141 and are subject to terms, conditions and fees. Approval of a Deposit Protect Bond does not necessarily ensure housing loan approval.

2. Westpac Residential Home and Contents Insurance is issued by Westpac General Insurance Limited ABN 99 003 719 319 and is distributed by Westpac Banking Corporation ABN 33 007 457 141. Neither Westpac Banking Corporation nor any other member of the Westpac Group guarantees this insurance. The information in this brochure does not take into account your personal objectives, financial situation or needs. Before making a decision about Westpac Residential Home and Contents Insurance, you should consider the Product Disclosure Statement and policy wording (PDS) and whether it is appropriate for you. Obtain a copy of the PDS by calling 1300 650 255 or visiting westpac.com.au. A premium is payable if you decide to take out this insurance.

3. A premium is payable if you decide to take out this insurance. The insurance is optional and is not a condition of the loan. You can arrange insurance with the insurer of your choice, or not arrange any insurance. Conditions, limits and exclusions on cover apply, and are explained in the Product Disclosure Statement. Mortgage Secure is issued by Westpac Life Insurance Services Limited ABN 31 003 149 157 (WLIS), and distributed by Westpac Banking Corporation ABN 33 007 457 141. Neither Westpac Banking Corporation nor any other member of the Westpac Group (apart from WLIS) guarantees the insurance. You should consider the Product Disclosure Statement (PDS) and Financial Services Guide (FSG) before making any decisions in relation to the insurance. A PDS can be obtained by calling 131 817.

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Paper and paper products make up the largest percentage by volume of global solid waste streams. Westpac is working to use paper more efficiently and to increase our use of recycled paper products.