

First Start

Shared Equity Agreement (SEA)

Increasingly first home buyers are seeking assistance from family when purchasing their first home.

At Bank First, we know that buying a property at today's prices can be hard and saving a deposit can take a long time. That's why we developed an innovative option for first home buyers, First Start, a Shared Equity Agreement that creates a formal agreement between a Contributor (parents/family) and a Home Buyer.

Deposit Assistance with a Difference



First Start provides the first home buyer with the option of utilising funds provided by family as part of their property purchase/ deposit in exchange for a share in the future equity of the purchased property.

Helps Avoid Extra Charges



The advantage of First Start for home buyers is that they can own a property sooner and avoid paying Lenders Mortgage Insurance (LMI), which can often be thousands of dollars.

Provides Clarity & Peace of Mind



The advantage for the Contributor (e.g. parents) is that First Start provides protections that a gift of money or being loan guarantor does not.

First Start purpose	To assist in the purchase of a home. First Start can only be used for contributions towards the purchase of a property in which you will live and may not be used for any other purpose
Property Type	House and Land, House, or Apartment, as long as the property purchased is to be occupied by the home buyer.
Interest Rate	There is no interest payable by the Home Buyer to the Contributor.
Eligibility	To be eligible for First Start the Home Loan must be taken out with Bank First.
Maximum term	The Agreement can last up to 20 years. The Home Loan can be a standard 30 year term.
Minimum SEA amount	\$30,000 or 5% of the purchase price, whichever is greater.
Ratios	<ul style="list-style-type: none"> Bank First Mortgage: maximum of 80% LVR Home Buyer's contribution: minimum 5% First Start amount: minimum \$30,000 or 5% whichever is greater up to 40% of the purchase price.
Repayments	There are no regular repayments required with First Start. However, an amount is payable to the Contributor at the end of the term or other repayment event.
Repayment amount	<ul style="list-style-type: none"> Full amount plus any appreciation payment (if property value has increased). Full amount if property value has remained static. Reduced amount if property value has decreased.
Repayment time	When the property is sold; or 20 years after the contribution was made; or at any time you wish to repay the contribution; or other certain events (e.g. death, default).
Security	<ul style="list-style-type: none"> Bank First Home Loan – 1st registered mortgage over the purchased owner occupied residential property. Contributor – 2nd registered mortgage over the purchased owner occupied residential property. <p>NB: Not all properties are acceptable security. Restrictions exist, including but not limited to, commercial/income producing properties (e.g. farms, shops, commercial and industrial properties), remote rural properties, 'off the plan' and high-density apartments. Our lending consultants will be happy to provide more detail.</p>
Fees & Charges	\$600 to be paid for by the Home Buyer. Includes fees for preparation and lodgement of 2nd mortgage and deed of priority, and any applicable government charges.

Agreement Overview:

For further information refer to the SEA Information Statement, available by calling **1300 654 822**.

First Start is one way for home buyers to receive financial assistance from their family. Other options include a Family Guarantee. For more information about your options as a home buyer or as someone wanting to help a home buyer, call 1300 654 822 to speak with one of our Home Loan experts or visit bankfirst.com.au.