

Bridging Finance Home Loan



AdelaideBank

We've been delivering prosperity and home-ownership to generations of Australians for over 150 years.

Our product offering is simple, reliable, and good value. Our service is exceptional, award-winning, and personal.

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A Bridging Finance home loan offers you an easy way to purchase a new home before you sell your existing one. Rather than making two sets of loan repayments while you are in the process of selling your existing home, a Bridging Finance home loan requires no repayments on the new loan during the Bridging Finance period.

Product overview

Loan Purpose	A way of purchasing a new home before selling your existing one
Eligibility	<ul style="list-style-type: none">• Available only to existing Adelaide Bank customers• Eligibility as per the home loan product chosen (SmartFit and SmartFix home loan options available)

Key benefits

Interest rate options	A choice between variable and fixed rate options: <ul style="list-style-type: none">• A SmartFit owner occupied or investment variable rate• A SmartFix owner occupied or investment fixed rate
100% offset	All Bridging Finance home loans include 100% offset accounts
Repayments required	No repayments on the new loan are required in the Bridging Finance period
One product	The same home loan product applies during and after the bridging period
No rate loading	No rate loading during the bridging period

Product specifics

Bridging Finance period

- Minimum of 4 weeks between purchase settlement and sale settlement
- Up to 6 months of interest capitalisation available

Loan to value ratio (LVR)

Combined loans cannot exceed 80% of the combined value of the new and existing properties, after taking into account the interest that will be charged on the new loan during the Bridging Finance period. The maximum LVR for Bridging Finance loans where Interest Only is sought on the 'End Debt' is subject to the new standard limit of 80%.

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 of:

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

Process once existing home is sold

Once the existing home is sold, the funds must first be used to pay out the existing home loan. Then sufficient funds must be paid into the Bridging Finance loan, so that the loan reduces to the amount specified in the Bridging Finance loan contract.

Process if existing home does not sell within Bridging Finance period

If the existing home has not been sold once the Bridging Finance period ends, repayments will be required on the new home loan in addition to repayments on the existing home loan.

Existing home with another Financial Institution

If your existing home loan is with another financial institution, the loan will need to be refinanced to Adelaide Bank during the settlement of the Bridging Finance loan.