



Unpack for Good™

Is an opportunity for community housing residents to purchase a home.







About

Unpack for Good helps community housing residents purchase a home. It's a type of shared ownership between the resident and their housing provider.

What property is for sale?

The housing provider will outline which properties are available and when.

It may be the property the resident currently lives in or it may be a property the housing provider is offering for sale elsewhere.

Who is involved and why?

Unpack for Good is a program between Community Sector Banking (a joint venture between Bendigo Bank and Community 21 - a consortium of not-for-profits) and your housing provider.

It was created to help community housing residents achieve the great Australian dream of home ownership.

For housing providers it helps them help others; by opening up community housing for those waiting for a place to live.

Examples in this document are purely for illustrative purposes only. They are not exhaustive and are not intended to be relied upon in deciding to apply for the Unpack for Good program.



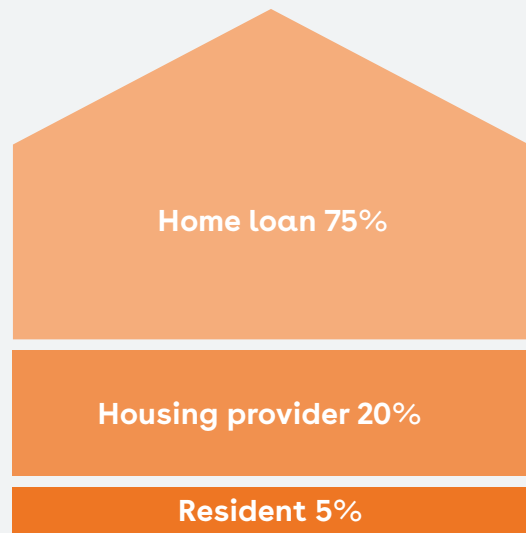
How does the Unpack for Good program work?

Residents co-own their home with their housing provider. By sharing ownership they can buy a home that was otherwise unaffordable.

For example

The resident contributes up to 5% and the housing provider contributes 20% of the property's cost.

The remaining 75% is a regular home loan.



Resident

The resident provides up to 5% of the property's cost.

More than 5% can be contributed: the more funded upfront, the less home loan repayments will be.

First Home Owners Grants may also be available in certain states.

If required, the resident's contribution can be used to cover legal fees and stamp duty.

The value of the resident's share increases in line with the increase in market value of the property.



Housing Provider

The housing provider contributes (a minimum) 20% of the property's cost – known as their share in the property. The resident starts to repay the housing providers' share after 10 years (or earlier), or if the resident sells the property.

No interest or fees are charged by the housing provider.

The value of the housing provider's share also increases in line with the increase in market value of the property.



Home Loan

75% (or less) of the remaining property's cost is a regular bank home loan in the resident's name.

The program enables residents to apply for a home loan backed by Bendigo Bank.

EXAMPLE ONLY

The following scenarios are for demonstration purposes only.

Buying the home now

Purchase price of home \$300,000

Home loan
for \$225,000 = 75%

Housing provider
contribution \$60,000[^] = 20%

Resident contribution
\$15,000* = 5%

*plus legal fees etc.

[^]The housing provider's figure reflects its 15% equitable share in the market value of the property.

Selling the home in 10 years

Sale price of home now \$450,000

Home loan
paid out \$206,500

Housing provider
receives \$90,000[^]

Resident receives \$153,500*

* less agents commissions and costs

[^]The housing provider's figure reflects its 20% equitable share in the market value of the property.



EXAMPLE ONLY

Sandy.

Is a single mum who works as a nurse. She has a 3 year old son and has lived in her Victorian apartment for over 4 years. She loves her neighbours, the location and her home which is owned by XYZ Community Housing Provider.

Sandy has some savings tucked away and is keen to own her own home. Her housing provider contacts her about the Unpack for Good program and she is excited to learn that she has the option to purchase her current apartment.

Sandy's aware of other costs when buying a home. Some are one off and others are ongoing. She contacts the team at Community Sector Banking to fully understand what costs she will have.

She learns:

- The apartment is valued at \$300,000
- Sandy's contribution 5% = \$15,000
- XYZ Community Housing Provider 20% = \$60,000
- Bank loan required 75% = \$225,000



Estimated one off costs

Type	Estimated amount
Stamp duty (differs in every state)	\$11,370*
Registration of land transfer	\$797
Registration of mortgage	\$115
Solicitor/Conveyancer costs	Between \$700 and \$2,000
Bank fees	\$825
Valuation fee	\$280 [#]
Total one off costs	Between \$2,717 and \$15,387

[#]Example only, actual fee will depend on property and location

Ongoing costs

As a home owner there are many ongoing costs that Sandy may not have had to pay in her community housing apartment, for example:

Type of charge
Home loan repayments on \$225,000
Owners Corporation Cost (Body Corp)
Council rates
Home insurance
Home maintenance
Bills (electricity, gas, water)

*Stamp Duty is payable in Victoria for people who are not eligible for the first home buyer duty exemption. If eligible and the property value is less than \$600,000, the Stamp Duty cost would be nil.

Sandy now has an overview of what one off costs and additional ongoing costs she may incur. This helps her plan her budget.



EXAMPLE ONLY

Ann and Barry.

Have two children Lucy and Liam, they live and work in the town they grew up in, in NSW with a network of family support around them. Ann is a childcare worker and Barry is receiving eligible Centrelink payments*. Together, they have a combined household income of \$80,745 and no current debts (car loans, credit cards etc).

They would love the opportunity to Unpack for Good and own their current house.

*eligible payments exclude Commonwealth Rental Assistance and Newstart allowance

Ann and Barry's situation

Applicant 1 income per year \$59,782

Applicant 2 income per year \$20,963

They learn:

- Their house is valued at \$400,000
- They can contribute 5% = \$20,000
- ABC Community Housing Provider can contribute 20% = \$80,000
- Bank loan required 75% = \$300,000

Estimated costs

There are several charges that every home purchaser pays when buying a new home. One off costs to be aware of for a house include:

Type	Estimated amount
Stamp duty (differs in every state)	\$13,490*
Registration of land transfer	\$139
Registration of mortgage	\$139
Solicitor/Conveyancer costs	\$700 – \$2,000
Bank fees	\$825
Valuation fee	\$280#

Ongoing weekly costs

#Example only, actual fee will depend on property and location



EXAMPLE ONLY

Ann and Barry would like to work out their weekly budget, taking into consideration the extra costs they will incur. The team at Community Sector Banking helped them with the following;

Income per week	
Applicant 1 net income	\$915
Applicant 2 net income	\$403
Costs per week	
House	
Loan repayment (\$1,509 per month)	\$348 [^]
Rates (\$2,000 per year)	\$39
Insurance (\$120 per month)	\$28
Gas (\$200 per quarter)	\$16
Electricity (\$200 per quarter)	\$16
Water (\$200 per quarter)	\$16
Cars	
Rego – Car 1 (\$1000 per year)	\$20
Insurance – Car 1 (\$60 per month)	\$14
Petrol – Car 1	\$60
Maintenance – Car 1 (\$1,000 per year)	\$20
Rego – Car 2 (\$1,000 per year)	\$20
Insurance – Car 2 (\$45 per month)	\$11
Petrol – Car 2	\$40
Maintenance – Car 2 (\$800 per year)	\$15

Other	
Mobile 1 (\$60 per month)	\$14
Mobile 2 (\$60 per month)	\$14
Internet & home phone (\$100 per month)	\$23
Groceries/alcohol/cigarettes	\$220
Clothes	\$20
Education expenses	\$22
Netflix (\$10 pm)	\$3
Going out/entertainment	\$120
Sports	\$10
Total expenses per week	\$761
Total income left per week	\$209

*Stamp Duty is payable in NSW for people who are not eligible for the first home buyer duty exemption. If eligible and the property value is less than \$650,000, the Stamp Duty cost would be nil.

[^]Calculated based on 30 year variable home loan at 4.38%pa. Interest rate is based on Bendigo Bank's current interest rate as at April 2018. This is just an example, actual amounts will differ and rates are subject to change. Comparison rate is 4.47% WARNING: This comparison rate is true only for the examples given and may not include all fees and charges. Different terms, fees or other loan amounts might result in a different comparison rate.

Who can apply?

To be eligible for the Unpack for Good program you will:

Have up to 5% of the property's market value saved

Be in a position to secure a normal home loan through Community Sector Banking (backed by Bendigo Bank)

As a requirement, you will need to have some form of employment or regular income and have a good credit history

Currently live in community housing (public/ social housing) and meet the requirements of your housing provider

Be at least 18 years old

Be an Australian citizen or permanent resident

Also

- You cannot be a business or an organisation
- You must not own or have a financial interest in any other property or land
- You must not owe any money to your housing provider
- You must live in the house you buy (be your main residence)
- You must seek your own independent legal advice
- You must pay legal and establishment fees

How does the Unpack for Good program compare to a regular home purchase?

	Unpack for Good	Regular purchaser
Market value of property	\$330,000	\$330,000
Deposit by resident	5% – \$16,500	10% – \$33,000
Housing Provider's contribution	\$66,000 [^]	\$0
Home Loan (+ additional one off costs)	\$252,000	\$310,423 ^{^^}
Interest Rate	4.38%pa [#]	4.38%pa ^{##}
Weekly mortgage repayments*	\$292	\$360

[^]After 10 years, the resident will also be making repayments to the Housing Provider to buyout the Housing Provider's share in the property.

^{^^}Loan mortgage insurance is included.

*Calculated based on 30 year variable home loan at 4.38% pa. Interest rate is based on Bendigo Bank's current interest rate as at April 2018. Example rate only to demonstrate the Unpack for Good program.

[#]Comparison rate for the Unpack for Good home loan is 4.49%.

^{##}Comparison rate for a regular home loan is 4.47%.

WARNING: The comparison rates are true only for the examples given and may not include all fees and charges. Different terms, fees or other loan amounts might result in a different comparison rates.



Ok I am ready, what do I do next?

There are benefits, risks and responsibilities when buying your own home. You need to ensure you can afford to pay a home loan while considering other financial obligations and future plans.

When weighing up the decision, it's best to seek financial advice that can help you decide if this is the right opportunity for you.

Residents must also seek their own independent legal advice. A list of solicitors can be provided who residents can approach independently.

Next steps: Home loan application process

Interested?	Complete an expression of interest (EOI) form from your housing provider
Contact	A Community Sector Banking lending specialist will contact you
Apply	Complete your application over the phone. You will be advised of what supporting documentation is required.
Assessment	Your application will be assessed. If approved, loan documents will be posted to you.
Sign Loan Documents	<ol style="list-style-type: none">1. Review the loan documents. Our lending specialists are happy to guide you through the paperwork.2. Take the documents to a solicitor and seek independent legal advice before signing your documents. They can also witness your mortgage.3. Take your signed loan documents to your housing provider. They will also sign them and return them to us.
Settlement	Our lending specialists will arrange the settlement of your loan with your solicitor. When your loan has settled, we will confirm when your first payment is due.



Who do I contact to learn more about the Unpack for Good program?

- Contact your community housing provider
- Contact Community Sector Banking's home loan team on 1300 272 265
- Visit communitysectorbanking.com.au/unpackforgood

Any information provided is of a general nature only and does not take into account your objectives, financial situation or needs. Before acting on this information, you should consider its appropriateness to your personal circumstances. As with any major financial transaction, we recommend that you take independent advice before deciding whether the Unpack for Good program is right for you. You should read the applicable Disclosure Documents available online at communitysectorbanking.com.au before making any decision. Terms, conditions, fees and charges apply. All loans subject to normal lending criteria. This brochure is not part of any legal contract for the Unpack for Good product.

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