

How do I apply for an IBA home loan?

Stage 1

You must register your interest in an IBA housing loan by completing an *Expression of Interest Form* and an *Aboriginality or Torres Strait Islander Descent Form*. These forms are available from IBA's website or you can contact IBA to send you a copy.

You must complete and submit these forms and all relevant documents to IBA. Once IBA has assessed your eligibility for a housing loan they will contact you.

If eligible, your request will then be placed on IBA's Expression of Interest Register until funding becomes available and IBA can invite you to apply for a housing loan.

Stage 2

When invited, you will be required to submit a *Housing Loan Application* to enable IBA to assess if you are still eligible and to determine the amount you may be able to borrow.



Contact IBA

If you want to know more about how IBA may be able to help you buy your first home:

- contact IBA on Freecall™ 1800 107 107*
- call in to one of IBA's offices
- go to www.iba.gov.au

*Calls to 1800 numbers from your home phone are free. Calls from public and mobile phones may be timed and charged at a higher rate.



Australian Government
Indigenous Business Australia

IBA respects Indigenous cultures and has taken all reasonable steps to ensure the contents of this publication do not offend Aboriginal and Torres Strait Islander peoples.

The information contained in this material is general and not tailored to your particular circumstances. The information may have changed since the material was prepared.

IBA takes no responsibility for any damage or loss suffered by you in relying on the information in this material and no representation or warranty is made as to its fairness, accuracy or completeness. If you are eligible and decide to apply for financial assistance from IBA you should obtain independent financial and legal advice before signing any documentation.

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HOME LOANS FOR INDIGENOUS AUSTRALIANS

IBA IN DIGENOUS
BUSINESS AUSTRALIA



Buying your first home

Buying your own home is a big decision, so it is important that you get it right. The friendly and experienced staff at IBA can help you understand how to go about buying a home that is appropriate and affordable for you.

What kind of loans does IBA provide?

IBA provides housing loans to Indigenous first home buyers who can repay a long term loan but are not able to secure finance from a bank or other home lending institution.

IBA may provide loans to Indigenous Australians who are not first home buyers, in some situations. For example, to undertake essential home improvements or maintenance or where family situations require the refinancing of an existing home loan. IBA will only provide this assistance where the applicant is not able to obtain moneys from another lender.

In some cases, IBA will offer you a Split Loan which will allow you to borrow some of the money you need from IBA but require you to borrow the remainder from another lender.



How does IBA assess my eligibility?

To be eligible for an IBA housing loan, at least one applicant must be of Aboriginal or Torres Strait Islander descent.

IBA will assess your capacity to meet required housing loan repayments taking into account your combined family income, living expenses and personal loan and credit card commitments.

You will also need to have sufficient savings¹ or access to other money² for a deposit³ and to pay for legal fees, stamp duty, a valuation and any building reports required.

1. The First Home Saver Accounts may offer a simple, tax effective way to save for your first home. To find out more about this Australian Government initiative visit www.homesaver.treasury.gov.au.

2. First home buyers may be eligible to access the First Home Owner Grant (FHOG) which provides moneys to help fund home purchase costs.

3. Unlike some other lenders, IBA does not require applicants to obtain lenders' mortgage insurance for home purchases with low deposits.



How much can I borrow?

IBA will assess how much you can borrow based on your combined family income, living expenses and commitments. This assessment will also take into account any money that you may be required to borrow from another home lender if you are applying for an IBA Split Loan.

Interest rates

IBA's interest rates are usually set lower than those offered commercially to provide affordable entry into home ownership for Indigenous first home owners. Your commencing interest rate will depend on the purpose of the loan, the combined family income and the amount that you maybe required to borrow from another home lender.

