



COASTAL MORTGAGE GROUP

# Guarantor Home Loans

## WHAT IS A GUARANTOR HOME LOAN?

A guarantor home loan is a type of home loan where instead of a deposit you use your parent's (guarantor) property as additional collateral.

It is now the only way to borrow between 100% and 110% of a property's purchase price. Essentially, 80% of the loan amount will be secured on the property you're buying and the remaining 20% on your parent's property.



### How much can I borrow?

How much you can borrow using a guarantor loan depends on what type of borrower you are:

- First home buyers: 105% of the property value
- Construction: 105% of the total land value and cost of construction
- Refinancing: 100% of the property value
- Debt consolidation and purchase: 110% of the property value.
- Investors: 105% of the value of your investment property.

However, borrowing over \$1,000,000 will require you to meet additional credit criteria.



### What are the benefits of a guarantor loan?

- You don't need a deposit, allowing you to buy a home now.
- Save money by not paying an LMI premium.
- Discounted interest rates are available from some lenders.
- You can consolidate some minor debts, such as credit cards, when you buy your home.
- You can limit the size of the guarantee.



### What interest rates are available?

Competitive rates are available. Please contact us to learn more.



### Lenders available:

Specialist lenders and some major lenders are available, let us help you.



### Want to know if you qualify?

Book a call with us and we will help you with a Guarantor Home Loan.

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