

Construction Loan - Standard Variable*

The MyRate Construction Loan has one of Australia's lowest interest rates for construction. Our construction loan is a flexible loan designed specifically to minimise the amount of repayment required during the first year of construction.

This loan is suitable if:

- You own or want to buy land and build a house on it
- You are making major renovations to your existing home
- You are an investor wanting to finance a residential construction project

NB: MyRate's construction loan is not available for owner builders. For renovations, a builder construction contract is required

If you have a block of land with a mortgage on it with another institution and want to get a construction loan with MyRate you will have to refinance your original loan with us first then apply for the construction loan as we cannot take a second mortgage over a property.

Getting the most out of your Construction Loan

- During the construction phase, make interest-only payments (letting you focus cash flow on construction).
- When construction is complete, there is a final valuation (costing \$295) on the whole property.
- After final valuation, make principal and interest payments (at our low variable rate) building up your equity.

Rates & Fees

Interest rate (p.a.) > 600k	6.35% Comparison Rate 6.35%
Interest rate (p.a.) < 600k	6.35% Comparison Rate 6.35%
Application fees	\$0
Valuation fees	\$0 initial valuation, \$295 final valuation
Settlement fees	\$0
Ongoing / Monthly fees	\$0
Redraw fees	\$0
Legal fees	\$0
Out of pocket legal expenses	\$0
Deferred Establishment fees	\$0

Features

Unlimited redraws	Yes (after construction period)
Additional repayments	Yes (after construction period)
Splits	Up to 4 (after construction period min \$25k each)
Repayment method	Direct debit
Internet / Phone banking / BPAY	Yes
Portable	Yes (after construction period)

Conditions

Minimum loan	\$100k
Maximum loan	\$1M
LMI	Required where LVR exceeds 80%
Max LVR	90% of land & construction value
Loan term	10 to 30 years
Interest only	Yes - up to 5 years
Repayment frequency	Monthly (fortnightly or monthly after construction period)

*Note: This brochure does not show all features, fees, charges, terms and conditions associated with this product. It is intended to provide an overview of some of the main benefits only and details are subject to change at any time. Fees shown are for standard applications when establishing a loan. Please visit our website at http://www.myrate.com.au/loan_products/fees for additional information. Rates shown are valid for new customers only. Funding is provided by ING Bank (Australia) Limited.

Specific conditions for different scenarios

You are ready to buy the land, but you are NOT READY TO BUILD yet:

- You can finance up to 80% of the lesser of the purchase price or valuation of the land.
- The security must be located in an acceptable location.
- The security must not be greater than 2 hectares in size and must be zoned for residential or rural residential use.
- You can only build a single residential dwelling i.e. no development finance for multiple dwellings including duplex, units or townhouses etc.
- The purchase/construction can be for owner occupation or investment.
- The loan agreement must be conditional for construction requirements and construction must commence within 12 months of the disclosure date (approval).

You already have the land, or you are buying it now, and you ARE READY TO BUILD:

- You can finance up to 90% of the cost to construct plus the lesser of the purchase price or valuation, ONLY if you have LMI approval, otherwise it's 80% LVR maximum.
- The security must be located in an acceptable location.
- The security must not be greater than 2 hectares in size and must be zoned for residential or rural residential use
- You can only build a single residential dwelling i.e. no development finance for multiple dwellings including duplex, units or townhouses etc.
- The purchase/construction can be for owner occupation or investment.
- The loan agreement must be conditional for construction requirements.

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