



# Information Pack (First Home Ownership Scheme Loan)

## PRODUCT FEATURES

Interest Rate:	4.00% fixed per annum
Equity:	10%
Repayment Term:	Maximum term of 40 years with the maximum repayment term limited by the Borrower's age of 70 years
Loan Amount:	No Minimum Loan amount Maximum loan amount of K 400,000
Fees:	1.00% establishment fees:

## GENERAL ELIGIBILITY

The First Home Ownership Loan is available in PNG only and is applicable to natural persons who are citizens of PNG and who:

- (a) are applying for a home loan with BSP;
- (b) who do not own, or part own a property under a State Lease ;
- (c) whose spouse or defacto partner does not own, or part own a property under a State Lease; and
- (d) have not already applied under any other housing scheme arrangement.

The First Home Ownership Loan must be for the applicants first home and must be owner occupied.

## LODGING AN APPLICATION

Please fully complete the application form and attach the required documents.

BSP's home loan application requirements for the Housing Scheme are:

- (a) a completed BSP First Home Loan Application;
- (b) three (3) latest pay slips (if employed);
- (c) bank statement or other financial statement showing regular income received in the last three months if account is held with another bank or financial institution;
- (d) confirmation letter of employment from employer disclosing salary and housing allowance (if any) or copy of contract of employment ((if employment is on contract basis);
- (e) copy of the State Lease of the land the subject of the home loan application;
- (f) copy of building and construction cost of the house (if constructing new house);
- (g) written proof and evidence of at least 10% equity contribution on the total purchase price or land plus construction costs;
- (h) a statutory declaration sworn by the applicant for a home loan declaring that they and/or their partner/spouse do not hold individually or jointly with themselves or any other person any home or Land under a State Lease and that they are first home buyers;
- (i) a brief statement of outstanding debts they and/or their spouses/partners may have with other registered banks and/or financial institutions showing at least the last three months transactions;
- (j) If the applicant does not have a BSP account,he/she will be required to establish such an account with BSP before making an application; and

## WHERE TO APPLY

A First Home Ownership Scheme Loan application can be lodged at your nearest BSP branch with the lending officer. Please proceed to the Lending section of the branch and advise that you wish to lodge the First Home Ownership Scheme Loan application.

## EQUITY

Equity contribution will be 10%. This can be sourced from several sources such as cash deposit, Superfund and employer assistance. Exemption: Borrowing to finance equity is not allowed.

## TYPE OF PROPERTY TO BE PURCHASED

The first home ownership loan is geared specifically for the following:

- (a) purchase of land under a State Lease for the construction of a new house;
- (b) construction of a new house on land under a State Lease;
- (c) purchase of land and house packages under a State Lease; or
- (d) purchase an existing house which is not more than twelve months old and which exists on land under a State Lease.

## SPECIAL CONDITION

Restrictions will apply on refinancing or resale of the property under this housing scheme.

## WHERE CAN I GET FURTHER INFORMATION?

For any queries regarding a Home Loan contact our Customer Service Centre on the following numbers: