

3 August 2011

Queensland home loan applications spike on news of construction grant

New home builders in Queensland have rushed to take advantage of new State Government grants causing a spike in home loan applications.

Suncorp Bank CEO David Foster said Suncorp Bank had recorded a 20% increase in home loan applications, prompted by the government's announcement of its \$10,000 'Building Boost' construction grant, which came into effect on Monday.

"This extra assistance is being welcomed by those looking to rebuild following this year's terrible weather events," Mr Foster said.

"Since January, Suncorp has rebuilt and repaired more than 15,000 homes out of almost 30,000 claims received across Queensland and has committed \$1 billion in the State's recovery," he said.

"We've come a long way but for many families there's still a lot to do and these new building grants will provide an additional much-needed investment boost to the Queensland economy."

Mr Foster said not only was the grant money a boost for those affected by the floods or Cyclone Yasi, it was also welcome news for first home buyers and families who had struggled with housing affordability in recent years.

"Suncorp has been a part of Queensland for more than 100 years and that's why helping our fellow Queenslanders is such a priority for us," he said.

"To help even further, I can announce that Suncorp Bank will offer new home buyers the chance to triple their construction grant through a competition* that will see six winners receive an extra \$20,000 on top of their grant."

On the lending front, Suncorp Bank has also launched a leading home loan deal in its My Home Package** which offers some of the most competitive discounted interest rates in the market.

"Suncorp Bank is offering up to 0.88%p.a discount off the life of its home loans combined with up to \$200 off a new Suncorp Insurance Home and Contents Policy with automatic flood cover," Mr Foster said.

"Whether you're contemplating rebuilding following the weather events or looking to make the most of the available grants and competitive home loans on offer to enter the property market, there are substantial savings to be made.

"For example, a first home buyer could receive up to \$37,000 in grants alone if they were to combine the government's \$10,000 Building Boost Grant, the \$7000 first home owner grant and a further \$20,000 should they be lucky enough to win one of Suncorp Bank's construction grants.

"This adds up to a substantial deposit and could strip years off a mortgage.

"Affordability has been an ongoing issue and it is important banks and the government continue to look at tangible ways to help home owners address this."

Suncorp Bank prides itself on offering the big bank capability through an extensive network of more than 230 branches and business centres and 2100 ATMs nationally, a strong suite of personal and business banking products and a highly capable team of experts, combined with the small bank connection and personal service our customers expect.

BENEFITS CURRENTLY ON OFFER TO HOME BUYERS

- Queensland Government's Building Boost Grant **\$10,000**
- First Home Owner Grant **\$7,000**
- Suncorp Bank Construction Grant **\$20,000**
- First Home Buyer exempt from Stamp Duty for homes up to \$509 999

For further information about the Queensland Government Building Boost Grant visit <http://www.budget.qld.gov.au/current-budget/tax-reform/transfer-duty-rates-building-boost.pdf>

*** About the Suncorp Bank '\$20k Home Loan Mega Boost' promotion**

- Suncorp Bank is giving away \$20,000 to one lucky customer each month from August 2011 – January 2012.
- To go in to the draw, the applicant must qualify for the Queensland Government \$10,000 'building boost' construction grant and take out a Suncorp Bank Home Loan.

****About the Suncorp Bank My Home Package Standard Variable Home Loan offer**

- Up to 0.88% p.a. discount for the life of the loan
- Comparison rate 7.10%p.a
- Up to \$200 off a new Suncorp Insurance Home and Contents Policy with automatic flood cover

Total Home Lending	Savings when LVR is less than or equal to 70%	Savings when LVR is between 70.01% and 80%	When LVR is between 80.01% and 95%
\$250,000 +	0.88% p.a. discount	0.84% p.a. discount	0.70% p.a. discount

NB: conditions apply. Go to www.suncorpbank.com.au for more information.

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