**DRAFT**

**HOMEBUYER FAMILY ASSISTANCE LOAN AGREEMENT**

**THIS LOAN AGREEMENT** made on       day of 2022

**between**

|  |  |
| --- | --- |
| **Lender** | **[*FAMILY LENDER NAME*]** of *[address]* |
| **Family Member** | ***[CHILD FULL NAME]*** of [address] |

The Lender is the *[describe relationship (eg. parent, sibling)]* of the Family Member and is making a loan to help the Family Member to buy a home. The Family Member has borrowed $*[insert amount]* from *[insert name of bank / Lender]* which is secured over the home being acquired.

The Family Member agrees to repay the Loan and make Interest Payments to the Family Member on the dates and at the Interest Rate set out below

|  |  |
| --- | --- |
| Family Member Bank Account | *Family Member Bank account details* |
| Loan amount | $ XXXX |
| Loan Term | [ x ] [years] |
| Date of Loan | XX/XX/20XX |
| Interest Rate | X% per annum |
| Monthly Interest Amount | $ X per month |
| Interest Payments due | On Xth Day of each month commencing on XX/XX/20XX |

## 

## Payments by Family Member

The Family Member must repay the Loan on or before the end of the Loan Term and pay Interest into the Family Member’s Bank Account on the dates set out above.

## Advance repayment of Loan

The Family Member may pay an additional amount in reduction of the Loan Amount on any due day for payment of an instalment of Interest and then the Interest Amount will be recalculated.

## Early repayment of Loan

The Family Member may repay the whole of the Loan balance to the Lender at any time.

## Independent financial and legal advice

The Family Member agrees that they have sought advice as they considered appropriate for an understanding of this Loan Agreement before entering into it.

## Interpretation

This Loan Agreement is governed by the law of the State or Territory of Australia in which the Lender is located and the parties submit to the non-exclusive jurisdiction of the courts of that State or Territory.

|  |  |  |
| --- | --- | --- |
| signed by [**FAMILY MEMBER LENDER]** in the presence of: |  |  |
|  |  |  |
|  |  |  |
| Signature of witness |  | Signature of Lender |
|  |  |  |
| Name of witness (block letters) |  |  |

|  |  |  |
| --- | --- | --- |
| signed by **[CHILD FULL NAME]** in the presence of: |  |  |
|  |  |  |
|  |  |  |
| Signature of witness |  | Signature of Family Member |
|  |  |  |
| Name of witness (block letters) |  |  |

Disclaimer: information contained in this loan contact template is intended to be a general information source regarding the matters covered, does not constitute legal, accounting, tax or other financial advice, and is not tailored to a borrower’s specific circumstances. Borrowers should consider their own personal circumstances and seek advice from their professional advisers before making any decisions that may impact their financial position