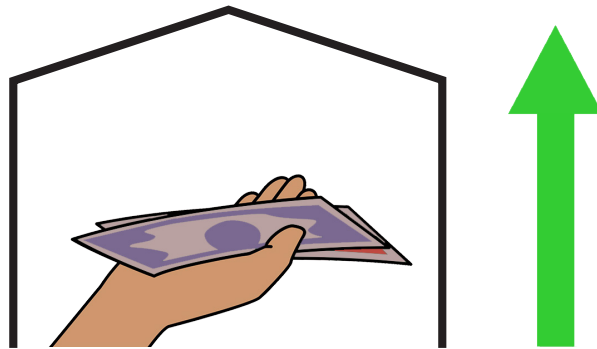




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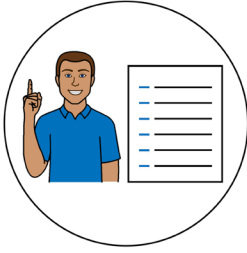


Help when home loan interest rates go up

Commonwealth Bank



Easy English



Hard words

This book has some hard words.

The first time we write a hard word

- the word is in **blue**

- we write what the hard word means.

You can get help with this book



You can get someone to help you

- read this book

- know what this book is about

- find more information.

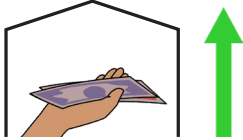


About this book

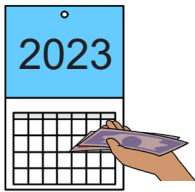


Commonwealth Bank

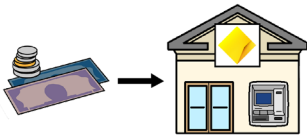
This book is written by Commonwealth Bank.



This book is about what you can do when the **interest rate** on your home loan goes up.



Interest rate is a number that says how much **interest** you pay each year.

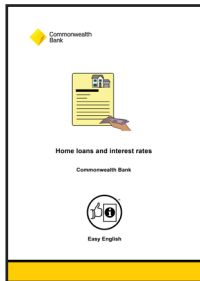


Interest means extra money you pay when you pay back the loan.



You can read our other books called

- Types of home loans

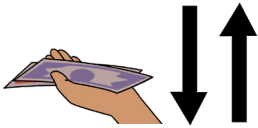


- Home loans and interest rates.

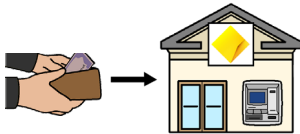
What happens when interest rates go up?



If you have a **variable rate** home loan your **repayments** may go up.



Variable rate means your interest rate may change.



Repayment means money you pay back on your loan.



There are things you can do to help with repayments.

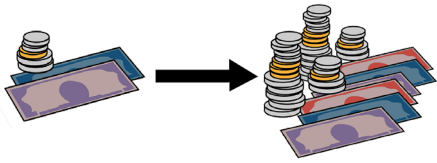


If it is hard to make your repayments you can call our Financial Assistance Solutions Team.



The number is at the end of this book.

Change your repayments



You may be able to change the **minimum required repayment**.



Minimum required repayment means the lowest amount you **must** pay.



Some people can change their repayments to happen

- every time they get their work pay



- on the day they get paid.



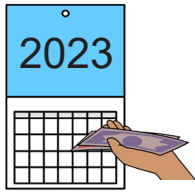
To change your repayments you can

- contact us



- use NetBank.

Change to interest only payments

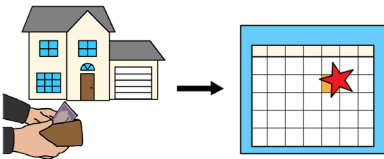


You can ask to pay **interest only** for a set time.

Interest only means you pay just the interest.



You do **not** pay back any of the money you borrowed.

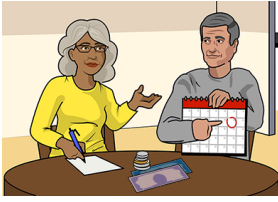


At the end of the set time

- you start to pay back the amount you borrowed



- you still pay interest.

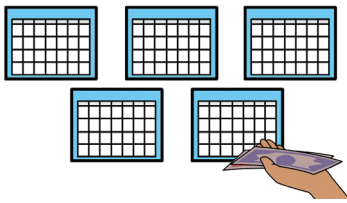


To change to interest only payments you must be

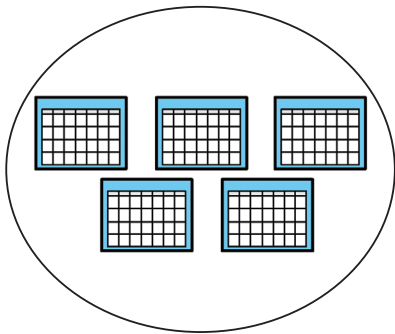
- up to date with your repayments



- able to pay your other bills.



If the loan is for the house you live in you can make interest only payments for up to 5 years.



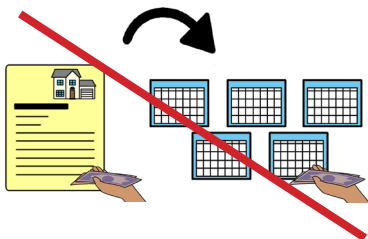
The 5 years can be

- in one lot

or

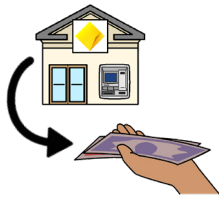


- made up of shorter times.



You **cannot** change to interest only payments in the last 5 years of your home loan.

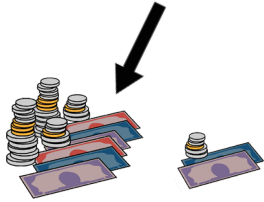
Use redraw



You might be able to use **redraw**.

Redraw is when

- you have paid more than the minimum required repayments
- you take back the extra repayments later.

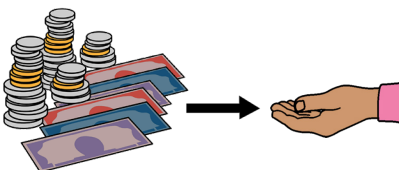


You can take back

- some of the extra repayments

or

- all of the extra repayments.



If you use redraw your minimum repayments might go up.

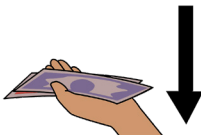
Use an offset account



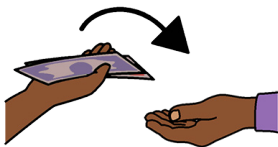
Your loan might have an **offset account**.

Offset account means

- you use a bank account that is linked to your home loan



- if you have money in the account you pay less interest.



You can take money out of the offset account any time.



You can ask us if your loan can use an offset account.

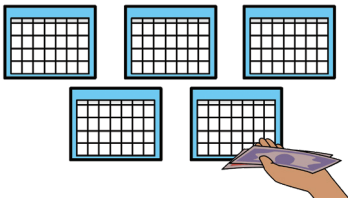
Change to a fixed rate loan



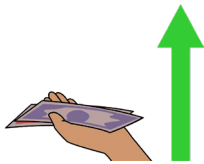
You can change to a **fixed rate** loan.



Fixed rate means your interest rate stays the same for a set time.

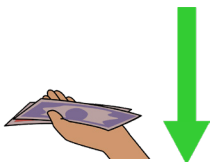


You can choose for your interest rate to stay the same for 1 year up to 5 years.

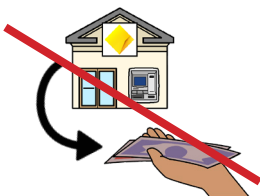


Your repayments will **not** change if interest rates

- go up



- go down.



With a fixed rate loan you **cannot** use

- redraw



- Everyday Offset.

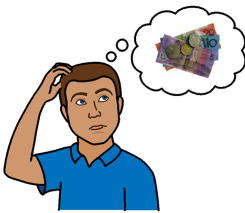
Other things you can do

There might be other things you can do when interest rates go up.

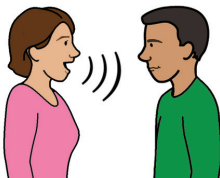


You can talk to us about what is right for you

More help



It is a good idea to get advice before you make changes to your money.



You might talk to an expert or support person.

National Debt Helpline



Call 1800 007 007

Commonwealth Bank Financial Assistance Solutions Team



Call 13 30 95



8 am to 9 pm Monday to Friday

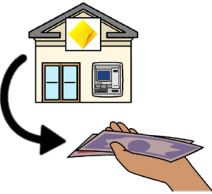
9 am to 2 pm Saturday

You can see full information on the website



Interest only payments

commbank.com.au/home-loans/interest-only



Redraw

commbank.com.au/home-loans/redraw



Offset account

commbank.com.au/home-loans/interest-offset



Fixed rate home loan

commbank.com.au/content/dam/commbank/personal/home-loans/fact-sheets/v_Rate.pdf

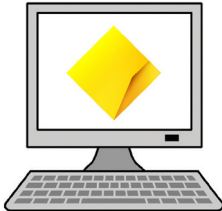


More information

For more information contact
Commonwealth Bank.



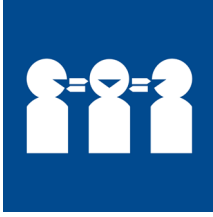
Call 13 22 21



Website commbank.com.au



Message us on the CommBank app
commbank.com.au/support/messaging



If you do not speak English

Ask the Translating and Interpreting Service
or TIS to call us.



Call 131 450

Give the TIS officer our phone number.



If you need help to speak or listen

The National Relay Service can help you make
a phone call.



Call 1800 555 660



Website accesshub.gov.au/nrs-helpdesk

Give the relay officer the phone number you
want to call.

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