



**Commonwealth
Bank**



Home loans and interest rates

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

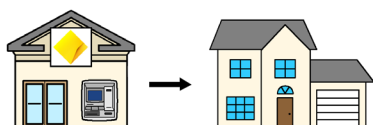


Commonwealth
Bank

This book is written by Commonwealth Bank.



This book is about **home loans**.



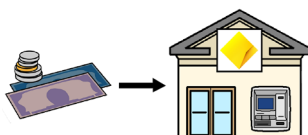
Home loan means you borrow money from the bank to buy your home.



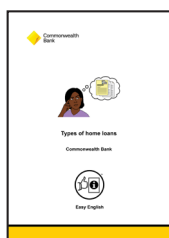
This book is also about **interest rates**.



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.



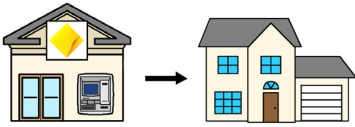
You can read our other books called

- Types of home loans

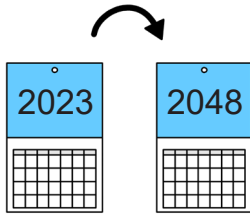


- Help when home loan interest rates go up.

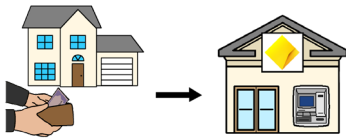
How a home loan works



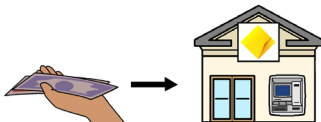
When you get a home loan you borrow money from the bank to buy your home.



You pay the bank back over a time you agree to. For example, 25 years.



You pay back the money you borrowed from the bank for your home.



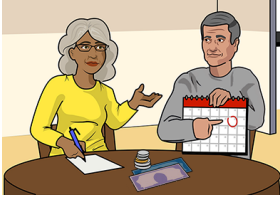
You also pay the bank

- interest
- some other costs for bank services.



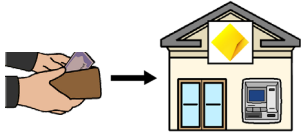
After you pay off the loan you own your home.

Your repayments

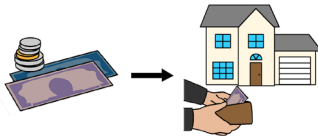


You make **repayments** at set times.

For example, 1 time each month.



Repayment means money you pay back on your loan.

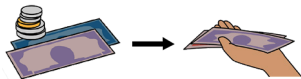


Most times your repayment includes

- money to pay back the amount you borrowed

and

- money to pay the interest.



If you make extra repayments you can pay off your loan earlier.

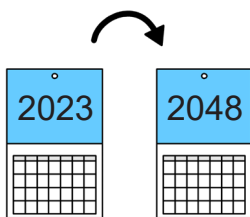
Interest



To work out how much interest you pay we look at

- how much money you need to pay back

- the interest rate on your loan



- how many years your loan is for.



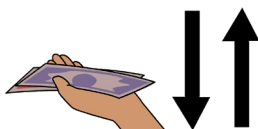
Some home loans have a **fixed interest rate**.



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



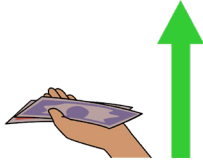
Some home loans have a **variable interest rate**.



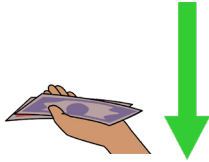
Variable interest rate means the interest rate changes over time.

What if interest rates change?

If you have a variable rate home loan



Your repayments may go up when the interest rate goes up.



Your repayments may go down when the interest rate goes down.

If you have a fixed rate home loan

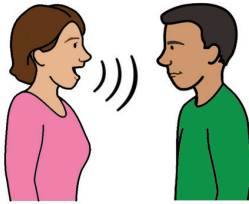


Your repayments will **not** change while you have the fixed rate.



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.



You can read the full information on home loans on our website.

Website

commbank.com.au/home-loans

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

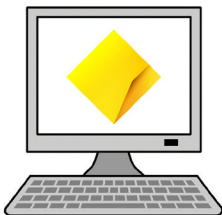


More information

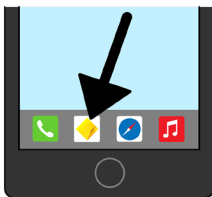
For more information contact
Commonwealth Bank.



Call 13 22 21

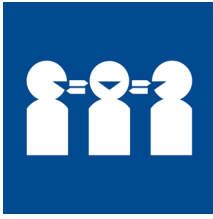


Website commbank.com.au



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.

© 2023 Commonwealth Bank of Australia ABN 48 123 123 124.

AFSL and Australian credit licence 234945. All rights reserved, except as permitted under the Australian Copyright Act 1968. Text, images and information incorporated in this Easy English publication created by Scope (Aust) Ltd at scopeaust.org.au and Tobii Dynavox.

This Easy English document is complementary to – and does not replace – our terms and conditions and other disclosure material, which are available on our website at commbank.com.au.

Commonwealth Bank of Australia has undertaken reasonable enquiries to identify where material or content is owned by third parties and to secure permission for its use and reproduction. Permission may need to be obtained from third parties to use, reproduce or modify this material. Picture Communication Symbols (PCS) is a trademark of Tobii Dynavox, LLC. All rights reserved. Used with permission.

Commonwealth Bank of Australia.