



Commonwealth
Bank



Types of home loans

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.



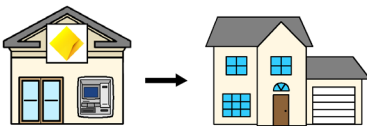
About this book



This book is written by Commonwealth Bank.



This book is about 3 types of **home loans**.

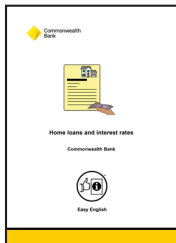


Home loan means you borrow money from the bank to buy your home.



You can read our other books called

- Help when home loan interest rates go up



- Home loans and interest rates.



To find out what type of home loan you have you can

- use NetBank

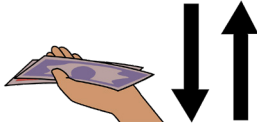


- contact us.

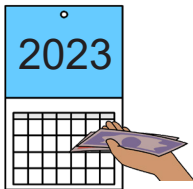
Standard Variable Rate home loan



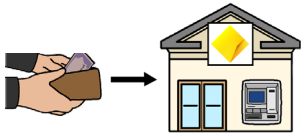
Some people choose a loan called Standard **Variable Rate**.



Variable rate means the **interest rate** for your loan changes over time.



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.

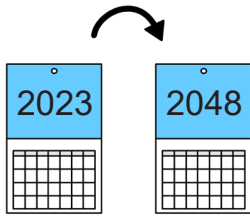


If the interest rate goes up you may pay more money.

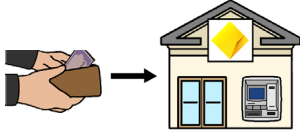


If the interest rate goes down you may pay less money.

Rules for Standard Variable Rate loans



Your loan can last from 1 year up to 30 years.



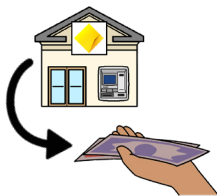
You can make as many extra **repayments** as you want.



Repayment means money you pay back on your loan.



Extra repayments help you pay back your loan earlier.



If you make extra repayments you can use **redraw**.

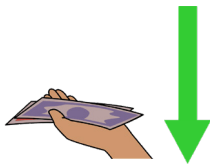
Redraw means you can take some of the extra money out later if you need it.

You can use **Everyday Offset accounts** with a Standard Variable Rate loan.



Everyday 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.

Fixed Rate home loan



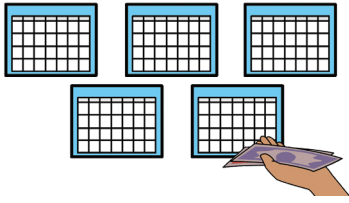
Some people choose a loan called **Fixed Rate**.

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



During that time your repayments will stay the same.

Rules for Fixed Rate loans



You can have the fixed rate for 1 year up to 5 years.

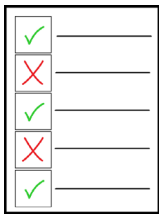


With a fixed rate loan you **cannot** use

- redraw



- Everyday Offset.



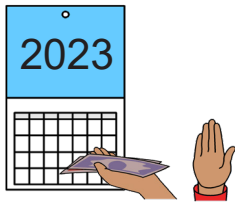
There are rules about how much money you can pay in extra repayments.



It could cost you money if you do **not** follow the rules about extra repayments.



Talk to us first if you want to make extra repayments.



You can ask to stop the fixed rate **term** early.

Term means how long you have the fixed rate.



You might want to stop the fixed rate term to

- sell your house



- borrow more money



- change to another type of loan.



If you stop the fixed rate term early it could cost you money.



Talk to us first if you want to stop the fixed rate term early.

When your fixed rate term ends



We will send you a letter near the end of your fixed rate term.



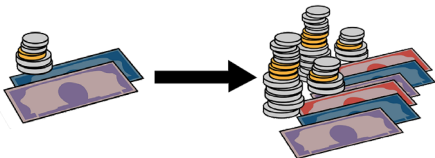
When you get the letter

- you can set up a new fixed rate term

or



- the loan will change to a Standard Variable Rate loan.



Your interest rate and repayments will change.

Extra home loan



Some people choose a loan called **Extra home loan**.



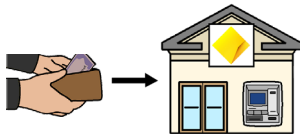
An Extra home loan is a loan with

- a variable interest rate

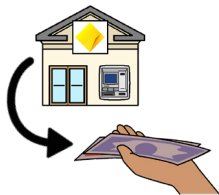


- lower costs for bank services.

Rules for Extra home loans



You can make as many extra repayments as you want.



You can use redraw.

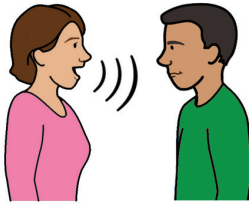


You **cannot** use an Everyday Offset account with an Extra home loan.



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

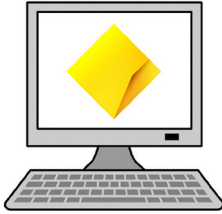


Call 13 30 95



8 am to 9 pm Monday to Friday

9 am to 2 pm Saturday

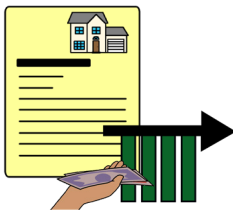


**You can see full information on
the website**



Standard Variable Rate home loan

[commbank.com.au/content/dam/
commbank/personal/home-loans/fact-
sheets/Standard Variable Rate.pdf](http://commbank.com.au/content/dam/commbank/personal/home-loans/fact-sheets/Standard_Variable_Rate.pdf)



Fixed Rate home loan

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Extra home loan

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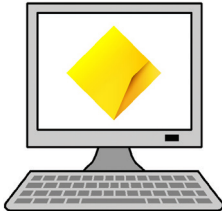


More information

For more information contact
Commonwealth Bank.



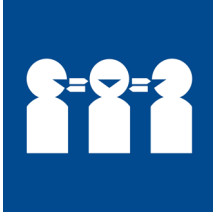
Call 13 22 21



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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