

# 1 YEAR GUARANTEED RATE HOME LOAN FACT SHEET.

1 Year Guaranteed Rate Home Loan provides an interest rate which will not change for the first year. After 1 year (from the date of the first loan drawing), the Standard Variable Rate applies, which will be a higher interest rate and result in repayments increasing at that time.

<b>Loan Purpose</b>	<p>Eligible purposes: Owner occupied housing, investment housing, personal needs, personal investment, land loans and bridging loans.</p> <p>Excluded purposes: Business purposes, building/construction loans and off the plan purchases.</p>
<b>Interest Rates</b>	<ul style="list-style-type: none"> <li>The interest rate that will apply will depend on whether your home loan is for owner occupied or investment purposes and on the repayment type you select – principal and interest or interest only</li> <li>The 1 Year Guaranteed Rate product has two guaranteed interest rates for the first year, one for principal and interest repayments and one for interest only payments</li> <li>The interest rates will be guaranteed from the date of the first loan drawing and will be applicable for the 1st year</li> <li>After 1 year, the rate will revert to the applicable Standard Variable Rate relevant to your loan purpose and repayment type at that time</li> <li>You can ask us to rate lock your guaranteed interest rates prior to the loan being funded, for a non-refundable fee. If we agree, we'll lock your guaranteed interest rates for 90 days from the date we process your request and the interest rates on your loan won't change for the 1st year. You can ask us to break the rate lock (for example, if rates go down) and revert to the rates available on the funding date.</li> </ul> <p>For a list of our current interest rates please refer to our Home Loan Interest Rates at <a href="http://commbank.com.au/homeloans">commbank.com.au/homeloans</a></p>
<b>Repayment Frequency</b>	<ul style="list-style-type: none"> <li>Principal and interest - weekly, fortnightly or monthly</li> <li>Interest only - monthly.</li> </ul>
<b>Interest Only Payments</b>	<ul style="list-style-type: none"> <li>During an interest only period, your payments will not reduce your loan balance</li> <li>At the end of an interest only period, your repayments will increase to cover principal and interest components</li> <li>If you take an interest only period, the total interest payable over the life of the loan will be higher than if you didn't take an interest only period</li> <li>For an owner occupied home loan the maximum interest only period is 5 years over the life of the loan</li> <li>For an investment home loan the maximum interest only period is 10 years in total, with a maximum of 5 years at any one time</li> <li>Interest only payments are not available within the last 5 years of the remaining contracted loan term.</li> </ul>
<b>Additional Repayments</b>	<ul style="list-style-type: none"> <li>You can make additional repayments at any time</li> <li>If you break the guaranteed rate period, by switching, topping up or repaying your loan in full, and the Bank suffers a loss, an Administrative Fee and Early Repayment Adjustment (ERA) will apply. The ERA can be significant (thousands of dollars or more). An ERA will not apply if your switch is a change to your repayment type only.</li> </ul>
<b>Repayment Redraw</b>	<p>Allows you to redraw additional repayments you've made to your loan.</p> <ul style="list-style-type: none"> <li>There is no minimum amount for electronic withdrawals</li> <li>A minimum of \$1,000 applies if you redraw in a branch</li> <li>No redraw fees apply</li> <li>If you redraw ensure you have enough funds in your available redraw balance to cover your next monthly repayment or your account may go into arrears.</li> </ul>

<b>Interest Offset</b>	<p>Full interest offset is available with a Mortgage Interest Saver Account (MISA). This means interest is not charged on that part of the home loan balance equal to the balance of the offset.</p> <p>For example: If you have \$10,000 in your offset and a home loan balance of \$200,000, you'll only pay interest on \$190,000 of the home loan. You do not earn interest on the \$10,000 in your offset.</p> <ul style="list-style-type: none"> <li>You can only have one MISA linked to the one home loan</li> <li>For the MISA interest offset to apply there must be a minimum \$1,000 MISA balance.</li> </ul>
<b>Top Up</b>	<p>Yes – minimum top up amount of \$10,000 (subject to approval).</p> <ul style="list-style-type: none"> <li>You must break your guaranteed rate contract and may be charged an Early Repayment Adjustment. Please discuss with your lender or broker</li> <li>If you increase your loan, it will increase the interest being charged and will generally increase your loan repayments. Please ensure that this is suitable for your current and future needs</li> <li>If using top up for a purchase such as a holiday or a vehicle, you accept that the length of time you will be making repayments on your home loan could be significantly longer than the life of the purchase.</li> </ul>
<b>Switching &amp; Splitting your Loan</b>	<p>To find out if your loan type is eligible for switching and splitting and how to apply, see our Switching Terms and Conditions at <a href="http://commbank.com.au/homeloans">commbank.com.au/homeloans</a></p> <ul style="list-style-type: none"> <li>An Administrative Fee and Early Repayment Adjustment (ERA) may be payable if you switch a 1 Year Guaranteed Rate loan during the guaranteed rate period, (this could cost you many thousands of dollars)</li> <li>An ERA will not apply if your switch is a change to your repayment type only</li> <li>Taking both a 1 Year Guaranteed Rate and a 12 Month Discounted Variable Rate as part of a Split Loan (Variable and Fixed Rate Option) is not allowed.</li> </ul>
<b>Wealth Package</b>	<p>For more information and Wealth Package eligibility please refer to <a href="http://commbank.com.au/wealthpackage">commbank.com.au/wealthpackage</a></p>
<b>Card Access</b>	<p>If you have an available redraw balance, this can be accessed via your Commonwealth Bank Debit or Credit card. In order to do this;</p> <ul style="list-style-type: none"> <li>The loan will need to be in a single name, or</li> <li>If the loan is in joint names, the method of operation must be 'Either to operate'.</li> </ul> <p>Please visit a branch or call us to link your card.</p>
<b>Loan Amount</b>	<p>Minimum loan amount of \$10,000 with no maximum loan amount.</p>
<b>Loan Term</b>	<p>No minimum loan term with a maximum of 30 years (subject to expected retirement age).</p>
<b>Lenders' Mortgage Insurance/Low Deposit Premium</b>	<p>Lenders' Mortgage Insurance (LMI) or Low Deposit Premium (LDP) may apply depending on the circumstances of your loan (for example, where there is an increased risk associated with a home loan).</p> <ul style="list-style-type: none"> <li>LMI is a one-off insurance premium designed to protect us (not you) against the potential loss we may incur if you can't repay your loan. It is not a bank fee or an establishment fee</li> <li>LDP is a one-off bank fee reflecting the risk associated with a low deposit loan. It is not an establishment fee.</li> </ul> <p>If we ask you to pay LDP we won't ask you to pay for LMI. Your Lender will let you know if this may apply to your loan.</p>
<b>Borrowing Entity</b>	<p>Individuals, non-trading Company and/or Family/Unit/Hybrid Trust.</p>
<b>Acceptable Security</b>	<ul style="list-style-type: none"> <li>Generally, a registered first mortgage over residential property</li> <li>Other securities may be acceptable where regulated documents are available (please discuss with your lender or broker).</li> </ul>
<b>Statement Frequency</b>	<ul style="list-style-type: none"> <li>We'll provide a statement of your loan account twice a year or on request</li> <li>A fee applies for requested statements.</li> </ul>

### Things you need to know

- This fact sheet has been prepared by the Commonwealth Bank without considering your individual objectives, financial situation or needs. You should consider its appropriateness to your circumstances and consider seeking professional advice relevant to your individual needs before making a decision based on this information. You should also obtain professional, financial and taxation advice specific to your individual needs
- Applications for finance are subject to the Bank's normal credit approval
- Full terms and conditions will be included in our loan offer
- Fees and charges are payable, refer to our fees and charges brochure
- This fact sheet is subject to change without notice.