



## KEY FACTS ABOUT THIS HOME LOAN

Date produced: 11 March 2012

**THIS IS NOT AN OFFER OF CREDIT.** This Key Facts Sheet is provided to help you compare this home loan with the home loans of other lenders.

What you have told us	
Loan Amount	\$395,000
Term of the home loan	30 years
Interest type	Fixed
Lender and product name	LENDING INSTITUTION A Fixed Rate Home Loan

## HOW DOES THIS HOME LOAN COMPARE?

Description of this home loan	
Repayment method	Principal and interest
Repayment frequency	Monthly (other repayment options are available)
Interest rate	6.29% per annum for 1 year, then a variable rate currently 7.16% per annum
Personalised comparison rate (interest rate including fees)	7.19% per annum

Estimated cost of this home loan	
Total amount to be paid back (including the loan amount and fees)	\$967,823
This means you will pay back	\$2.45 for every \$1 borrowed
Establishment fees	\$1000
Ongoing fees	\$300 per year
Repayment per month for first year (including ongoing fees)	\$2,473
Repayment per year for first year (including ongoing fees)	\$29,676
Repayment per month after 1 year (including ongoing fees)	\$2,697
Repayment per year after 1 year (including ongoing fees)	\$32,364

There may be circumstances in which other fees are payable. Fees applicable for the loan you apply for will be shown in the loan contract. You can also obtain a list of fees applicable to this type of loan from our branches or through our website at [www.lendinginstitutiona.com.au](http://www.lendinginstitutiona.com.au). Other loan set-up fees, such as valuation fees and lender's mortgage insurance, and Government charges, such as registration fees and stamp duty on property transfer, have not been included. These will be determined after application. Additional fees may be payable if you choose to repay your fixed rate home loan early.

### What happens at the end of the fixed rate period?

At the end of the fixed rate period you may be able to fix the rate at a new fixed interest rate for a further period. If a further fixed rate is not entered into, the rate will convert to the applicable variable interest rate. Under the current variable interest rate, if interest rates do not change, your monthly repayment would increase by around **\$224**.

### What happens if interest rates increase?

This is a fixed rate loan. Your repayments will not change during the fixed rate period. After the fixed rate period, if the variable interest rate was to increase by 1% per annum, from the current variable interest rate of 7.16%, your monthly repayment would increase by around **\$267**.

### How can I repay my loan faster?

This loan allows you to make additional repayments to pay off your home loan faster. If you increased your monthly repayments by \$200 a month to **\$2,897 you would repay the loan in 24 years and 6 months, instead of 30 years, based on the current variable interest rate stated in this Key Facts Sheet**. Altering the frequency of repayments may also help repay the loan faster.

### How to find the best deal for you

To obtain the best deal for you, it is important to shop around and compare interest rates, fees and features before you apply for a home loan. Choosing the best home loan for you may save you money. For more information about how to get the best deal on your home loan visit the ASIC consumer website at [www.moneysmart.gov.au](http://www.moneysmart.gov.au).

## FURTHER INFORMATION ABOUT THIS KEY FACTS SHEET

### Which home loan is right for you?

When choosing a home loan, it's important to work out what you want from your loan and how much it will cost you. Given the wide range of loans on offer – with different interest rates, product features and fees – it pays to shop around to find the loan that fits your needs and circumstances. Some loans offer features that may be appropriate for your situation and result in savings over the life of the loan.

Some features you may wish to consider include:

- ability to split your loan between fixed and variable interest rates;
- ability to make extra repayments;
- an offset account;
- a redraw facility; and
- linked credit card and savings accounts.

But compare the costs and benefits of these features before you agree to them.

For more information on choosing the right home loan for you, you may also wish to visit the ASIC consumer website at [www.moneysmart.gov.au](http://www.moneysmart.gov.au).

### Where can I find out more about this loan?

If you want more information on the terms used in this document or about this home loan, please call us on 02 1237 5678 or visit our website at [www.lendinginstitutiona.com.au](http://www.lendinginstitutiona.com.au).

### This Key Facts Sheet is an Australian Government requirement.

The Australian Government requires all lenders selling standard home loans to give you a Key Facts Sheet like this one when you ask for one and provide the necessary information.

Key Facts Sheets contain information presented in the same way to help you compare and select the most appropriate home loan for you. You should request Key Facts Sheets when shopping around for a home loan to help you find the home loan that is right for you.

This Key Facts Sheet is not an offer of credit. The lender is not obliged to provide you with the home loan described in this Key Fact Sheet. You will need to apply for the loan and meet our lending criteria before we can determine whether you are eligible for this loan.

You should also be aware:

- the interest rates and fees and charges are those that apply as at the date of production of this Key Facts Sheet.
- the amount required to be paid does not include fees which are dependent on events that may not occur (for example, late payment fees if you do not make repayments on time).
- the amount of the repayments shown in this Key Facts Sheet will change if interest rates, fees and charges change and if a different loan type, loan term or loan amount is used.

### What is the personalised comparison rate?

The personalised comparison rate helps you understand what the total cost of your home loan might be, taking into account known fees and charges that will apply (other than government fees, charges or duties) by building those costs into the interest rate. It also helps you understand the impact of fixed or introductory rates of interest on the total amount of interest you could pay over the life of the loan.