



MCM Home Loans

Loan Product Factsheet

Fixed Rate Home/Investment Home Loan

Description:

Fixed Rate Home/Investment Home Loans give you the ability to set your interest rate for a fixed period of time. This may suit you if you want the assurance of knowing exactly what your repayments will be and therefore give you confidence to budget accurately and plan your finances.

We caution against using Fixed Rate loans to “beat the market”, as you’re effectively gambling on future interest rate movements. It also may not be a good idea to fix your interest rate if you think you might sell your property, make large repayments or switch to a variable rate within the fixed rate term. If you break out of, or switch from a Fixed rate loan early, or repay more than \$10,000 in any year, you may need to pay Early Repayment Adjustment (ERA), which could cost you many thousands of dollars.

Introductory interest rate

Not available

Interest rate

Fixed from the date of the first loan drawing and is applicable for the fixed rate term. On the maturity date of your fixed rate period, the loan automatically rolls over to the Standard Variable Rate current at that time. If you would like to re-fix your loan for another fixed rate period, you will need to switch to another Fixed Rate loan and pay the switching fee.

Rate Lock

Rate lock allows you to lock in the interest rate for the next 90 days.

For a Rate Lock fee, this is only available at application for 1-5 Year Fixed rates and is effective from the date we process your request.

Loan purpose

Owner occupied or Investment housing. Personal and/or personal investment (business purpose and building/construction, bridging or ‘off the plan’ loans are excluded).

Increase to loan allowed

No. You must break your fixed rate contract. Please discuss with our consultants.

Borrowing entity

Personal, Family trust, Company or Firm.

Prime security

Generally, a registered mortgage over residential property. Other securities may be acceptable. Please discuss with our consultants.

Collateral security

Limited to securities where regulated documents are available.

Minimum amount

\$10,000

Maximum amount

No maximum

Minimum term

1 year. Other terms available are 2-5 years, 7, 10, and 15 years.

Maximum term

30 years (subject to expected retirement age).

Loan to Valuation Ratio (LVR)

No Lender’s Mortgage Insurance (LMI) – Up to 80%



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With LMI:

- Maximum LVR for owner occupied loans: 95% (97% after LMI is added to the loan amount).
- Maximum LVR for Investment in residential property: 90% (92% after LMI is added to the loan amount).
- Other conditions apply please speak to our consultants

Interest structure options

Principle and Interest or Interest Only. There are limits on the length of Interest only periods. (Interest in Advance available on 1-5 year Fixed Rate Investment Home Loans).

Repayment frequency

Weekly, fortnightly or monthly (Interest Only Is monthly)

Special repayments

Yes, extra repayments (specials) are subject to a maximum \$10,000 per fixed term year.

Statement frequency

Every 6 months or on request (a fee applies for requested statements)

Offset account

Yes, partial offset available (MISA). No Commonwealth Bank withdrawal fees are payable.

Repayment Redraw

Not available.

Card access

Yes –available on loans in single names or loans in joint names where the method of operation is “Either or Operate”, however redraw is not available during the fixed rate period.

Split loans

Yes, combining the certainty of a fixed rate with the flexibility of a variable rate.

Package savings

Save 0.15% p.a. on standards Fixed Rate Home/Investment Home Loans within Mortgage Advantage package.

Fees and charges:

Application Fee: \$600 (currently waived)

Annual fee or annual account keeping fee: \$350 for MAV package

Monthly fee or monthly account keeping fee: \$0

Settlement fee: \$150

Deferred Establishment fee: \$700

Discharge fee: \$350

Discharge registration fee: \$150

Early Repayment Adjustment: please refer to our consultants

Security+/or Servicing Guarantee fee: \$200

(Please refer to our consultants for any additional fees and charges)