

Home buying made easy.

Your step by step guide.



Planning to buy

Property hunting

Choosing the right loan

Buying your home

Making your loan
work for you

Home buying language
– simplified

Find the path to your property goal with us.

Everyone's home buying needs are different, whether you're buying your first or next home, investing in property, or refinancing.

No matter what your goal is, we're here to help at every step, with expert guidance, handy tips and useful information.



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Why choose CommBank?

With expert guidance, smart tools, exclusive property insights and a range of home loans, we'll support you throughout your home buying journey and beyond.

Value



Tailored rates

An interest rate tailored for you – giving you the best deal for your situation.



Special discounts

Enjoy special discounts on your Home Loan and Credit Card with a Wealth Package¹.



Flexible loan features²

Tailor your loan to suit your needs and be ready for whatever life brings, with product features like multiple free offset accounts, redraw, flexible repayments and repayment holidays.

Guidance



Dedicated Home Lending Specialists

Make confident decisions, with our Home Lending Specialists who partner with you at every step of your home buying journey and for the life of your loan.



Smart tools

Explore the market with the CommBank Property app, educate yourself with useful guidance articles, or use our range of handy calculators online at: commbank.com.au/home-loan-calculators-and-tools



Property news and insights

Free and individually customised reports for your target property or suburb.

Convenience



Anywhere, anytime convenience

Manage your home loan and banking 24/7 with the CommBank app, NetBank or over the phone.



Meet with us when it suits you

Book a time online instantly with our Home Lending Specialists whenever and wherever you like, either in our branches, on the phone or any other place that suits you.



All your banking in one place

Simplify your finances by bringing your loan, insurances and other banking together in the CommBank app and NetBank.



To check out our range of home loan calculators and tools visit: commbank.com.au/home-loan-calculators-and-tools

1. For Wealth Packages applied for on or after Monday 3 April 2017, you must have (or be applying for) an eligible home loan or Viridian Line of Credit with a package lending balance of at least \$150,000 when you apply. Annual package fee (currently \$395) applies. Contact us for information about packages that were applied for or requested before Monday 3 April 2017.
2. Features available on eligible loan types.

Our Home Lending Specialists – with you every step of the way.

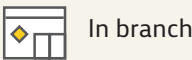
Whatever property picture you’ve painted in your mind, we can help make it a reality. We’ll pair you up with a dedicated Home Lending Specialist to guide you through the process and beyond.



Our Home Lending Specialists will provide you with personalised support and guidance by:

- + Discussing your individual financial goals and providing timeframes on how to achieve them
- + Helping you with budgeting and planning so you have a clear idea about your current living expenses and potential upfront costs
- + Providing you with clear information of how much deposit you’ll need and key tips on how to save for it
- + Estimating how much you’ll be able to borrow, using information unique to your situation
- + Helping you navigate through the property hunting process and providing you with free personalised property reports
- + Helping make sure you’re clear on the application process and your loan options, and answering any questions you have
- + Connecting you with a financial planner if you need more in depth and broader financial advice
- + Being there for you beyond settlement, by helping you manage your loan and ensuring your loan is working for you.

You can meet your Home Lending Specialist wherever and whenever you like.



In branch



Place of your choice



Over the phone

To instantly book an appointment with a Home Lending Specialist, visit: commbank.com.au/appointment



What happens at the first appointment?

Your Home Lending Specialist will talk to you about your home lending needs and financial goals so they can provide help that’s tailored to you. They’ll also make sure you’re clear on the application process and your loan options, and answer any questions you have.

If you’re ready to start your loan application or apply for conditional pre-approval, they’ll let you know exactly which documents you need to bring along, so you can apply together in person.

See page 20 for more information.

What's your property goal?

I want to:



Buy a home or an investment property

To help you navigate through the home buying process, we'll take you through the 5 common stages of buying a home, including the steps involved in getting a home loan with CommBank.

See pages > *The Home buying journey (Pages 9 to 39)*



Build a house (see page 15)

If you're looking to build a house, a construction loan can help ensure you start – and stay – on the right footing.



Renovate or expand (see page 39)

If you're dreaming of home renovations, then topping up or using your existing equity may be an option.



Refinance my loan to CommBank (see page 39)

If you'd like to switch your existing home loan over to CommBank, we can help by making the process clearer and easier for you.



Make my loan work harder for me (see page 35-39)

Everyone's different and we know things change, so we've outlined the ways you can stay in control and manage your loan.

Your home buying journey

No matter what stage you're at in your home buying journey or whether you're buying a home to live in, or buying an investment property, we can help guide you through each step.

Stage 1: Planning to buy

Budgeting, planning and things to consider before looking to buy.

Pages 9 to 15

Stage 2: Property hunting

Tools and tips to help you enhance your property search.

Pages 17 to 21

Stage 3: Choosing the right home loan

Our range of flexible loans, and money saving features and add-ons.

Pages 23 to 29

Stage 4: Buying your home or investment property

Key steps in getting a home loan – from application to settlement.

Pages 31 to 33

Stage 5: Making your loan work for you

How to manage your loan and flexible options to help when things change.

Pages 35 to 39

Home buying language - simplified

Home buying jargon put into everyday language.

Pages 41 to 43

Planning to buy

Property hunting

Choosing the right loan

Buying your home

Making your loan work for you

Home buying language – simplified



Stage 1: Planning to buy

It’s important to have a clear view of your finances, before you start your property hunt.

Step 1: Calculate your current living expenses	10
Step 2: Work out how much you are able to borrow	10
Step 3: Work out your upfront buying costs	10
Step 4: Decide how much you would be comfortable repaying	10
Step 5: Save for a deposit	11
If you have a deposit less than 20%	11
Example of step 1 to 5: Meet Joanne	13
Info for first home buyers	14
First Home Owner Grant (FHOG)	14
First Home Super Saver Scheme	14
First Home Buyer stamp duty concession	14
Other things to consider	15
Guarantor support	15
If you’re looking to build	15
Investing in property	15
If you’re self employed	15
Selling before buying	15
Other opportunities if you already own	15

Planning to buy

Taking these few steps to budget and plan today will not only help you save time and money, it'll give you the confidence during the search and buying process.

Your Home Lending Specialist will help navigate you through these steps and assist with any complexities with planning to buy.

Tip:

Completing the steps below will give you a good idea of your price range, helping you start your property search on the right foot.



1

Step 1: Calculate your current living expenses

Setting your budget all starts with your current and future living standards. Understanding what you spend (i.e. your living expenses) will give you a good start to work out how much you can afford. Be as thorough and realistic as you can with your expenses and think about the things that may change if your loan is approved. For example, you may have to pay more for public transport and have extra expenses to consider, such as strata and council rates.

Calculate your monthly living expenses at: commbank.com.au/livingexpenses

3

Step 3: Work out your upfront buying costs

In addition to your deposit, there are some other costs you'll need to factor in such as stamp duty, bank fees, inspections, agent fees and legal fees. It's important you include these costs when budgeting to avoid any surprises later.

Find out these costs using our stamp duty calculator at: commbank.com.au/upfrontcosts

5

Step 5: Save for a deposit

The larger your deposit, the less you'll need to borrow and the easier your loan repayments will be to manage.

There are many ways to save, including working out how to cut back on your spending, and setting up a regular savings plan.

For more great saving ideas visit: commbank.com.au/saving

Typically we require a 20% deposit towards the purchase price of the property.

There are other options if you have a deposit that's less than 20%:





- Paying Lenders' Mortgage Insurance (LMI) or a Low Deposit Premium (LDP)³
- Guarantor support (See page 15)
- Or if you already own property, using your existing equity (See page 39).

If you have a Deposit less than 20%

Depending on your situation, you may still be able to borrow with a deposit less than 20% of the purchase price of the property — to do this you'll need to take out **Lenders' Mortgage Insurance³ (LMI)** or pay a **Low Deposit Premium (LDP)**.

These are one-off costs (added to the total loan amount) and designed to protect us (not you) against the potential loss we may incur if you're unable to repay your loan. Your Home Lending Specialist will be able to give you more information about whether this applies to you.

For more information refer to commbank.com.au/low-deposit-options

	10% deposit	20% deposit
 House price	\$500,000	\$500,000
 Deposit	\$50,000	\$100,000
 Loan amount	\$450, 000	\$400,000
+ LMI³	+ \$13,000	N/A
Total Loan	\$463, 000	\$400, 000
 Total savings/ contribution required	\$50,000 + upfront costs	\$100,000 + upfront costs

2

Step 2: Work out how much you are able to borrow

The amount you're able to borrow will depend on:

- Your income
- Your current living expenses (see step 1 above)
- Your other liabilities and commitments, such as loans, child support and credit cards
- The type of loan you want (refer to page 23 for more info on loan types)

Work out how much you may be able to borrow at: commbank.com.au/borrowing

4

Step 4: Decide how much you would be comfortable repaying

You can choose to pay weekly, fortnightly or monthly, depending on what works best for you. Consider how much money you want to have after your repayments for your living expenses and your savings or investments. As things change, you may need to change your repayments so it works with your lifestyle.

Work out how much your repayments may be using our online Home Loan Repayments Calculator at: commbank.com.au/repayments

³ Lenders Mortgage Insurance (LMI) is dependent on various things such as your deposit amount, the value of your property and your risk assessment as a borrower.



Meet Joanne

Her planning and budget

Annual Income:
\$70,000

Buying a property in:
South Australia

Has savings of:
\$145,000

Looking to buy a property costing:
\$475,000

Before starting her property search, she sits down with her Home Lending Specialist to work out her current and upfront expenses, and how much she could borrow.

Her budget

Monthly living expenses: \$1,850/month

Upfront costs⁴:

Solicitor:	\$2,000
Stamp duty:	\$18,830
Settlement fee:	\$200
Government fees:	\$3,906
Total upfront cost:	\$24,936

Borrowing capacity
up to:

\$452,091

Her decision⁵

After accessing her budget, and discussing her goals with her Home Lending Specialist, she decides to apply for a home loan.

Loan amount:	Repayments:	Loan details:
\$370,000	\$1,652 per month	3.45% Extra Home Loan (Comparison rate [^] 3.46%)

Note: The above rate is an example only and is subject to change at any time. Your Home Lending Specialist will work with you to work out the applicable interest rate for your individual circumstances.

[^] Please refer to the full disclaimer at the end of this brochure.
⁴ Some upfront costs such as stamp duty and government fees vary between each state. Your Home Lending Specialist can help you work out these costs.
⁵ Calculations are estimates provided as a guide only. They assume interest rates don't change over the life of the loan and are calculated on the rate that applies for the initial period of the loan. Interest rates referenced are current rates and may change at any time. Fees and charges are payable and these are not taken into account in the calculations.

Info for first home buyers

If you're a first home buyer, you may be eligible for grants and concessions, depending on the state you live in and the type of property you're buying.



First Home Owner Grant (FHOG)

If you're buying your first home in Australia, you may be eligible for a government FHOG.

Each state and territory has different grants and conditions, however, we can help with your application.

Visit: commbank.com.au/fhog



First Home Super Saver Scheme

The First Home Super Saver scheme allows you to save money for your first home using your superannuation fund. This scheme, run by the Australian Taxation Office (ATO), helps first home buyers save faster by allowing them to withdraw voluntary super contributions they've made to their super.

For more information refer to the ATO website at: ato.gov.au



First Home Buyer stamp duty concession

Depending on how much your property is worth, you may be able to pay less on stamp duty. The conditions and amounts change depending on the state you buy in.

For more information, refer to: firsthome.gov.au

Other things to consider

Guarantor support

Our Guarantor support option could help you buy your own home sooner by using a guarantor, such as a family member, to give extra security for your loan. By mortgaging their own property as security, you may be able to purchase a property with a smaller deposit and potentially avoid paying Lenders' Mortgage Insurance or a Low Deposit Premium⁶.

There are a few things to consider, such as the risks associated with becoming a Guarantor, for more information visit: commbank.com.au/guarantorsupport

If you're looking to build

There's a lot to consider before you decide to build your own home, including costs of building and various steps you'll need to take to plan your build.

A construction loan can be used to build your own home, complete renovations or knock down and rebuild. You can draw money from the loan progressively as you need to pay for your costs, so you'll only pay interest on the amount you've used. We'll also stay in touch with you throughout the build, to see how you're progressing.

You can find out more information at: commbank.com.au/buildingahome

Investing in property

Choosing to invest in property is a big step. It's important to plan right, weigh up the risks and benefits and understand the costs. With the right knowledge and tools, we can help you plan your investment.

Find out more about investing in property at: commbank.com.au/propertyinvestor

If you're self employed

Our Home Lending Specialists understand the needs and unique circumstances business owners may be facing. Plus, they can help you structure your loan in a way that may let you buy the home you want.

To discuss your specific needs and requirements, you can make an appointment with a Home Lending Specialist at: commbank.com.au/appointment

Selling before buying

If you'd like to buy a new home before you sell your existing one, a bridging loan can provide the money you need to secure your new home. It's suitable for existing CommBank customers who have bought a new home and need to settle, but have not received the money from the sale of their existing home. In other words, a bridging loan covers the gap between purchasing your new home and receiving money from the sale of your existing home.

During the bridging period, you'll make repayments on both your bridging loan and your existing home loan. Once you sell your existing home, you can use the money to pay out your original mortgage, and any additional money can go towards reducing the mortgage on your new home.

You can find out more information at: commbank.com.au/bridging

Other opportunities if you already own

If you already have a property, you may have built up equity – the difference between the market value of your property and the amount you still owe on your home loan. You could use this equity to upgrade your home, buy a car or travel to the places you've always wanted to.

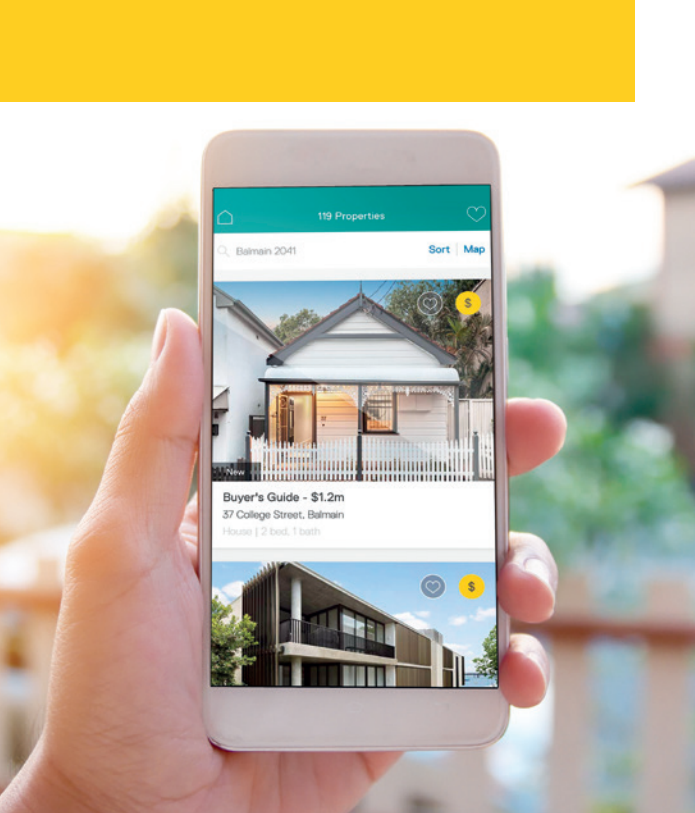
Refer to page 39 of this brochure for more information.



Stage 2: Property hunting

Finding the right property can be an exciting time. By having a clear idea of what you want and how much you can afford, it can be a stress free and rewarding experience.

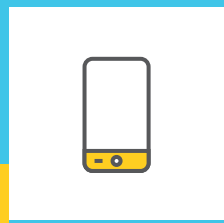
Step 1: Meet with your Home Lending Specialist	18
Step 2: Apply for conditional pre-approval so you can search with confidence	18
Step 3: Write down a short list of suburbs and research the market	19
Step 4: Get customised suburb and property reports	19
Step 5: Look into different ways you can buy your property	19
Buying at an auction	19
Buying through a private sale	19
Buying off the plan	19
Your appointment checklist	20



Download the CommBank Property app to power your property search

With our free CommBank Property app at your fingertips, you can search for properties, find out what you can afford, and uncover market estimates about a property's potential market price.

- Apply for conditional eligibility straight from the app
- Search and save your properties and their inspection dates, and add them to your phone's calendar so you can plan your viewing days
- Access property articles, tools and tips
- Assess your property's potential market price* (even if it's not for sale) based on multiple data sources
- Use all our calculators and affordability tools to estimate your repayments, upfront costs and how much you could borrow
- View suburb insights to evaluate an area's short and long-term performance
- Easily contact a Home Lending Specialist if you need them



For more information and to download the CommBank Property app visit:
commbank.com.au/propertyapp

Property hunting

You're ready to search for that right property, so here are some useful steps to help you make the process as smooth as possible.

1

Step 1: Meet with your Home Lending Specialist

Your Home Lending Specialist will guide you during your property hunt. They'll help you apply for conditional pre-approval and equip you with the right tools and info to help enhance your property search.

Simply make an appointment at:
commbank.com.au/appointment

For a list of documents you'll need for your application, refer to our appointment checklist on page 20.

2

Step 2: Apply for conditional pre-approval so you can search with confidence

Search with confidence knowing your loan is conditionally pre-approved. Conditional pre-approval provides an estimate of how much you can borrow based on the information you provide to us. Not only does conditional pre-approval show sellers that you're serious, but it can help you negotiate confidently when the right property comes along. It's also a requirement to be able to bid in some real estate auctions.

3

Step 3: Write down a short list of suburbs and research the market

Suburbs vs CBD? Public transport options? Parks, shops, schools and shopping centres? It's good to have a clear idea about what's important to you when looking for the right suburb or property. With some smart tools and market insights, hunting for the right home becomes so much easier with the CommBank Property app.

4

Step 4: Get customised suburb and property reports

Ask your Home Lending Specialist for a personalised report on your preferred suburb or property. Using the most up-to-date information from CoreLogic (Australia's leading property data, information and analytics provider), our property and suburb reports provide a comprehensive snapshot of a property and its neighbourhood.

Features and benefits

- Find out what the property is worth based on recent sales
- Get in-depth knowledge on properties for sale in the neighbourhood, including listing dates and agents
- Get median sale prices, value of sales, rental and demographic profiles.

5

Step 5: Look into different ways you can buy your property

Buying at an auction

If you're planning to buy at an auction you'll need to ensure you're prepared. Once your hand goes up and you win the bid, you'll need to pay the deposit and sign the contract. Generally with auctions, there's no cooling off periods.

Your Home Lending Specialist can help you with all the information and steps you need to take if you're thinking of buying at an auction, including what to expect on the day.

For information and tips, you can visit:
commbank.com.au/auctionday

Buying through a private sale

In a private sale you negotiate the sale price with the seller. This is usually done in writing through the Contract of Sale, or verbally. The real estate agent can help you, and provide you with the right information to help you make the offer. Depending on your contract, you may have a cooling off period which is usually 2-5 business days.

To find out more, you can visit:
commbank.com.au/privatetreaty

Buying off the plan


Buying off the plan means committing to buy a property that hasn't yet been built. For some, buying off the plan can be more affordable and flexible than buying an existing property. There are a few things you need to consider, so chat to your Home Lending Specialist who can help you with any questions you may have.

For more things to consider when buying off the plan, you can visit:
commbank.com.au/offtheplan

Your appointment checklist

When you decide to apply for a home loan, you can help speed up your application by getting the documents below ready (for each person applying). Once you’ve made an appointment, your Home Lending Specialist will let you know exactly which documents are required for your particular application.

For more information about documents needed for a loan application, you can visit commbank.com.au/homeloanchecklist



Your identification (I.D.)

New customers

Choose one of the following:

☐ Passport, or

☐ Australian Driver’s licence, or

☐ Australian Proof of Age card.

Or, two of the following:

☐ Birth certificate

☐ Citizenship certificate

☐ Pension card issued by Centrelink

☐ Overseas driver’s licence

☐ Household bill e.g. electricity bill, gas bill.

Existing customers

Choose one of the following:

☐ CommBank debit card/credit card/passbook, or

☐ A photo ID e.g. your driver’s licence or passport, or

☐ Your telephone banking password.



Loans and savings not with CommBank

If you’re buying a new home or investment property

☐ Savings/Investment account statements and/or your passbook,

☐ Bank account statements for your home/investment loan or line of credit,

☐ Bank account statements for your personal loan, credit cards or other fixed repayment loans.

If you’re switching your loan to CommBank

☐ Savings/Investment account statements and/or your passbook,

☐ Bank account statements for your home/investment loan or line of credit,

☐ Bank account statements for your personal loan, credit cards or other fixed repayment loans.



Your Income

If your salary or wages are not paid into your CommBank account

- ☐ Bank account statements showing salary credits,
- ☐ Payslips,
- ☐ Employment contract or letter from your employer showing current base wage and PAYG payment summary (or tax return).

If you’re self-employed

- ☐ Most recent year’s personal and business tax returns, and corresponding ATO Notice of Assessment,
- ☐ Most recent business financial statements, showing the last two consecutive years’ profit and loss information.

If you earn rental income

- ☐ Rental Statement or letter from the managing real estate agent,
- ☐ Current lease agreement,
- ☐ Most recent tax returns showing properties you own,
- ☐ Bank account statements showing rental credits.

If you receive Government income

- ☐ A letter from Centrelink confirming your benefits amount.



Other important information

- ☐ Privacy consent form – your lender will send you the form to be completed by all applicants prior to your appointment.
- ☐ An estimate of your monthly living expenses – covering for example, food, transport, clothing, utilities, education and health care.
- ☐ If you’ve found a property, a Contract of Sale (Offer of Acceptance in WA) and your solicitor or conveyancer’s name, address and contact details.
- ☐ If you have an existing property for security, we’ll need one of the following: Rates notice that shows the street address and title reference or Valuer General – Notice of Valuation.
- ☐ If you have existing insurance, we’ll need a copy of insurance documents (e.g. policy schedules) that are not held with CommInsure.
- ☐ If you have other income (e.g. investment income from shares) or loans and debts that aren’t listed above, we will also require documents for these.




Stage 3: Choosing the right home loan

It's important to choose a loan that works for you and we can help you make the right decision.


Our range of home loans	24
Ways to pay your home loan	24
Flexible home loan features and add-ons	26
Wealth Package	26
Everyday Offset account	27
Redraw	28
Insurance	28
Compare our home loans features	29

Our range of home loans


We offer a number of different home loan types. We'll help you choose one that has the right flexible features for your needs.




Standard Variable Rate
Get the flexibility you want with a wide range of features and benefits.



Fixed Rate
Always know what your repayments will be with a locked-in rate for 1-5 years.



Extra Home Loan
Life of loan discount: A basic loan with a low variable rate for the life of your loan.
2 Year or 4 year Introductory Rate: A basic loan with a lower variable interest rate for an introductory period, changing to a higher variable ongoing rate.



Viridian Line of Credit
A line of credit with no set term or repayments.

To compare our home loan types, you can refer to page 29 of this brochure.

Ways to pay your home loan

There are two repayment options for your home loan and you can also choose the frequency in which you pay.

Principal and Interest (P&I)
Pay your loan balance and the interest

Your loan repayments will be lower over the life of the loan, since each time you pay the minimum repayments you're paying part of the original loan amount whilst also covering interest.

Interest Only (IO)
Pay just the interest on your loan for a limited time

Not only is the interest rate typically higher on an interest only loan, once your interest only period ends, your repayments will change to principal and interest, which will increase your repayments. There's a maximum period you can pay interest only, so it's designed for short term needs.

Weekly
For P&I loans only

Fortnightly
For P&I loans only

Monthly
All loan types

Example

Jason has taken out a home loan of \$500,000 for 30 years. He considers two options for his repayments.

	Option 1	Option 2
	Principal and Interest	5 year Interest Only
Interest rate at start of loan	3.45% p.a. (Comparison rate^ 3.46% p.a.)	4.01% p.a. (Comparison rate^ 3.68% p.a.)
Monthly repayment first 5 years	\$2,232	\$1,671
Interest rate after interest only period	Unchanged	3.45% p.a. (Comparison rate^ 3.46% p.a.)
Monthly repayment after interest only period	\$2,232	\$2,490
Total repayments over 30 years	\$803,265	\$847,170
Extra money paid due to interest only period	\$0	\$43,905

If Jason chooses interest only for the first 5 years, although he starts off his loan with lower repayments, over the life of his loan, Jason will pay an **additional \$43,905 in interest**.

Note: The example provided above is for illustrative purposes only. Calculations are estimates provided as a guide only. They assume interest rates don't change over the life of the loan and are calculated on the rate that applies for the initial period of the loan. Interest rates may change at any time. Fees and charges are payable. The calculations do not take into account fees, charges or other amounts that may be charged to your loan (such as establishment or monthly service fees or stamp duty).

^Please refer to the full disclaimer at the end of this brochure.

24

25

Planning to buy

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Buying your home

Making your loan work for you

Home buying language – simplified

Flexible home loan features and add-ons

Wealth Package

Simplify your banking and save money at the same time with our Wealth Package. For an annual fee of \$395, you'll enjoy:

- Special interest rate discounts on a range of eligible home loans, meaning you'll pay less interest, which will help you pay off your loan quicker
- Save on fees with no upfront home loan establishment fees, monthly home loan service fees and annual credit card fees
- Save on products with special discounts on selected credit cards, as well as your home loan.

To find out more visit: commbank.com.au/wealthpackage and talk to your Home Lending Specialist

Example:

How much could you save?

For example, let's imagine you have a Standard Variable Rate home loan for \$300,000, and a Platinum Awards credit card. How much could you save in the first year when you apply for a Wealth Package for an annual fee of \$395?

Total savings in the first year = \$1,654
(\$2,049 - \$395 fee)

Product	Benefit	First year	Second year (and for the life of your loan) ⁷
Home Loan	0.5% p.a. discount	\$1,104	\$1,104
	No establishment fee	\$600	N/A
	No monthly Loan Service Fee	\$96	\$96
Credit Card (Platinum Awards)	No annual fee	\$249	\$249
	Less the annual Wealth Package fee	– \$395	– \$395
Total Home Loan Wealth Package saving		\$1,654	\$1,054

7. The establishment fee will no longer be applicable after the first year. Your total Wealth Package Saving will decrease as your home loan balance decreases

Everyday Offset account

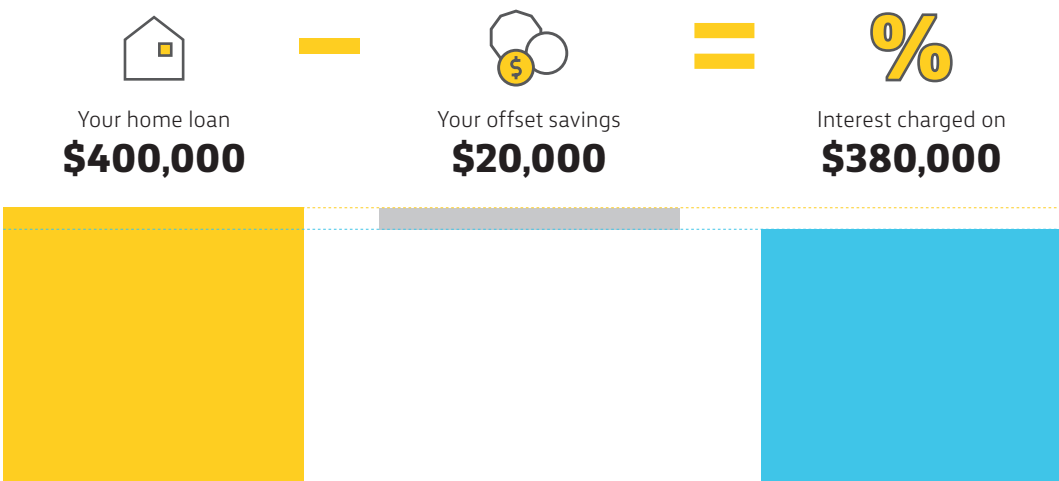
An Everyday Offset account is a free transaction account linked to your Standard Variable Rate home loan. Linking an Everyday Offset⁸ account to your Standard Variable Rate home loan is a great way to pay less interest whilst also having the flexibility to access your funds easily.

Any money you put into your offset account (e.g. your salary or savings), will be deducted from your loan balance, which means you'll only be charged interest on the difference. The more money you have in your offset account, the less interest you'll pay on your home loan.

You can also have multiple Everyday Offset accounts in the same name (individual or joint) linked to your home loan, so as well as saving even more interest over time, you can manage your money your way.

Example:

If you have a loan balance of \$400,000, and you have \$20,000 in your linked Everyday Offset account, you'll only pay interest on \$380,000.



To see how Everyday Offset accounts work, you can watch our *Guide to Everyday Offset accounts* at: commbank.com.au/everydayoffset

8. Everyday Offset is a feature of our Transaction Accounts which is linked to an eligible home loan, and accountholder/s must also be accountholders of the linked home loan. Interest is not charged on that part of the Home Loan balance equal to the balance of the Transaction Account.

Flexible home loan features and add-ons (continued)

Redraw

A redraw facility gives you access to additional repayments that you have made on your loan over and above the required minimum repayments.

Redraw is available on most variable rate home loans, and there are no fees to redraw. If you do take money from your redraw, your repayments may increase, this is so you repay the loan within the agreed loan period.

Redraw is designed for occasional use. Other options, such as using Everyday Offset account/s may be more suitable if you plan on using the money more regularly or have a set amount in mind.

For more information about redraw, you can watch our *Guide to Redraw* video at: commbank.com.au/managerepayments





Insurance

Even though buying a home is one of the biggest investments you'll ever make, you don't have to lose sleep over it. You can access a range of protection options to help ensure your property, your home loan and your financial future are looked after. Speak with your Home Lending Specialist who can answer any questions about your protection options.

To find out more or get a quote visit: commbank.com.au/insurance

Compare our home loans features

We've included a summary of each loan type and the features they have. To compare our loans online visit commbank.com/home-loans. Your Home Lending Specialist will be able to advise you of the fees and charges applicable to the loan you choose but you can also visit commbank.com.au/homeloanfees

Loan type	 Standard Variable Rate	 Fixed Rate	 Extra Home Loan		 Viridian Line of Credit
			Life of loan low rate	2 year and 4 year Introductory rate	
Savings					
No establishment fee	✓ ⁹	✓ ⁹	✓	✓	✓ ⁹
No loan service fee	✓ ⁹	✓ ⁹	✓	✓	✓ ⁹
Discounted interest rate	✓ ⁹	✓ ⁹	✓ ¹⁰	✓ ¹⁰	✓ ⁹
Save interest with Everyday Offset	✓				
Credit card annual fee waiver	✓ ⁹	✓ ⁹			✓ ⁹
Eligible for Wealth Package	✓	✓			✓
To pay my loan faster					
Make additional repayments	Unlimited	Up to \$10,000 per fixed term year ¹¹	Unlimited	Unlimited	Unlimited
Flexibility					
Redraw additional payments or take a repayment holiday	✓		✓	✓	✓
Split your loan (part fixed, part variable)	✓	✓ ¹²	✓	✓ ¹³	

9. With a Wealth Package you'll get access to fee waivers and interest rate discounts on top of standard package benefits.

10. Extra Home Loan provides a discounted interest rate for the life of the loan. The Extra Home Loan (2 and 4 Year Introductory Rate) provides a higher discount during the introductory period. At the end of the introductory period, a lower discount applies for the remaining life of the loan, which will result in the interest rate and repayments increasing at that time. The 4 year introductory rate is only available for First Home Buyers.

11. An Early Repayment Adjustment and an Administrative fee may apply if you pay more than the maximum.

12. An Early Repayment Adjustment and an Administrative fee may apply if you split your loan during a fixed term period.

13. Loan splitting is not available for Extra Home Loans during the introductory period.



Stage 4: Buying your home

(or investment property)

If you haven't bought a property before (or even if you want a refresher), here's a step by step guide to help you through it.

Step 1: Apply for conditional pre-approval to search with confidence	32
Step 2: Found your property? The next step is to apply for a home loan	32
Step 3: Secure your property and pay the deposit	32
Step 4: Your home loan's been approved, it's time to sign your loan documents	33
Step 5: Settle and move in	33

Your guide to the home loan process

The home loan process may seem complex, even if you've bought before. Here are the most common steps from application to settlement. Your Home Lending Specialist will help you at each step and go through any detail unique to your situation (e.g. buying at an auction).

Congratulations, you've bought your home!

1



Estimated time conditional pre-approval is valid for: **6 months**

Apply for conditional pre-approval to search with confidence.

Applying for conditional pre-approval is important, it'll help give you a good understanding of what you can afford and provide the confidence to make an offer when the right property comes along.

- ☐ To help you with the home loan process and to apply for conditional pre-approval, make an appointment with a Home Lending Specialist at commbank.com.au/appointment
- ☐ Ask your Home Lending Specialist for a personalised property report for your preferred suburb or property. They'll also estimate your upfront buying costs (e.g. stamp duty, legal fees)
- ☐ Once you've received conditional pre-approval, it's time to go search for your property.

2



Estimated time from application to settlement: **4-6 weeks**

Found your property? The next step is to apply for a home loan.

You can apply anytime online, over the phone or in person with help from one of our Home Lending Specialists. They'll also let you know exactly which documents you'll need for your application.

- ☐ If you're buying at an auction, chat to your Home Lending Specialist about what's required or you can refer to page 19
- ☐ Let your Home Lending Specialist know you've found your property
- ☐ Gather all the necessary documents (e.g. payslips, bank statements). See page 20 for a list of documents required
- ☐ Find a solicitor or conveyancer who can help you with the contract and any other legal documents. They usually charge for their services so make sure you are aware of their fees before any commitment.

3



Estimated time for home loan approval (once documents supplied to your lender): **1 – 5 business days**

Secure your property and pay the deposit.

The Contract of Sale (or Offer and Acceptance in WA only) can be used to negotiate an offer on the property. Once accepted, both buyer and seller sign this contract, which confirms selling price, settlement terms and any other conditions for the sale.

- ☐ Arrange a property and pest inspection. This is not compulsory but a good idea to avoid bad surprises
- ☐ Check with local and state governments about zoning and future developments that may affect your home
- ☐ Check if there's a cooling off period for the contract
- ☐ Sign the Contract of Sale (or Offer and Acceptance in WA only) provided to you by the seller or real estate agent and pay the deposit – usually 5-10% of the property price.

4



Your home loan's been approved, it's time to sign your loan documents.

Once your home loan application and documents are submitted, we will review them and complete any necessary checks (which may include property valuation, credit checks, and building documents). We'll then let you know if your loan is approved and provide your loan offer documents.

- ☐ Complete stamp duty forms (if applicable) – your solicitor or conveyancer will organise this
- ☐ Once you receive your home loan documents, you can review them either in person or discuss it over the phone with your Home Lending Specialist. You'll need to sign the loan documents or accept in NetBank with our SmartSign service if you're eligible
- ☐ Look into Home Insurance options, prior to settlement. Speak to your Home Lending Specialist for more information or visit commbank.com.au/insurance

5



Settle and move in.

Settlement is when the purchase of the property is completed and it officially becomes yours. We will arrange a settlement date, time and location with your solicitor or conveyancer. To keep you updated we'll notify you by SMS when settlement is successfully completed.

- ☐ Arrange a pre-settlement inspection with the seller or their real estate agent
- ☐ Ensure you've got enough money in your nominated CommBank transaction account 48 hours before the settlement date, your solicitor or conveyancer will advise how much
- ☐ After settlement, pick up your keys from the seller's real estate agent.

Each home buying journey is different. Your Home Lending Specialist is there to guide you through the above steps and help with anything specific to your situation.

For more information visit commbank.com.au/your-home-buying-resources




Stage 5: Making your loan work for you


With the CommBank app and flexible features, it's never been easier to manage your home loan, even when your circumstances change.

Getting started	36
Manage your loan 24/7	37
Your personalised property experience	38
When you need more money	39
Using your existing equity	39
Increase your home loan (top up)	39
Refinancing your home loan	39

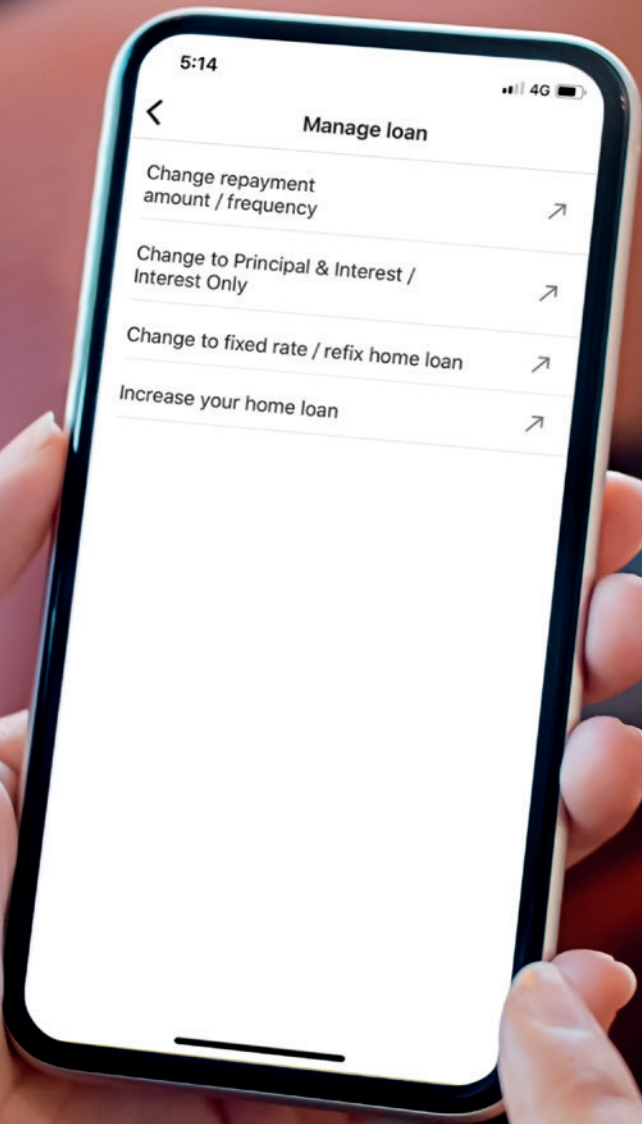
Getting started

 Register for NetBank, a secure online place to manage your finances.

Visit commbank.com.au/netbank

 Join over 5 million Australians using the CommBank app. Bank with confidence anywhere, anytime.

Visit commbank.com.au/commbankapp



Manage your loan 24/7

The CommBank app and NetBank are the easiest ways to manage your home loan, so you can stay in control. Simply log on, click view accounts and select your home loan to get started.

+ See your home loan alongside your other accounts
Just like your other accounts, you can view your home loan account information anytime. You can also view your loan balance, current loan details, transactions and see your repayment amount and frequency.

+ Change your repayments
We understand changes happen in life, which means you may need to change how you repay your loan (i.e. your repayments). You can easily:

- Change your repayment amount and frequency
- Change your repayments type – Interest Only to Principal and Interest

+ Change to a fixed rate or re-fix your home loan
Changing your home loan from variable to a fixed rate or starting a new fixed period (re-fix) is easy using our switching tool. For other home loan options, such as splitting, you can speak to your Home Lending Specialist or call us on 13 2224 8am to 8pm, 7 days.

+ Increase your home loan (top up)
If you're planning renovations, want to consolidate your debts or simply need extra cash, you can apply in NetBank or the CommBank app to add more money to your existing loan.

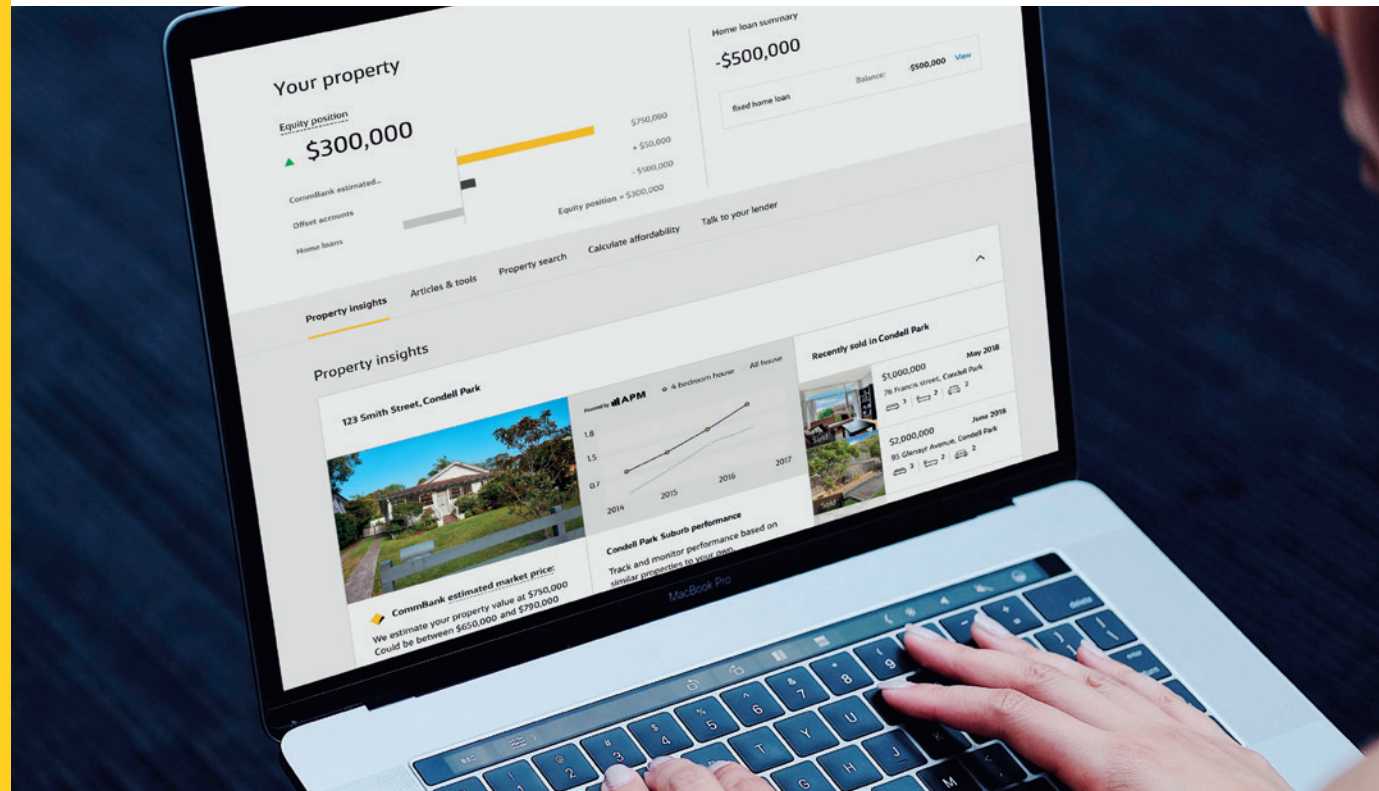
+ Redraw your extra repayments
If you need more money, you can access additional repayments you've made on your loan. For more information, refer to page 28.

+ Access your statements
You can view up to 7 years' of statements, providing you access anytime you need. If you're still receiving paper statements, you can also switch to online statements using the CommBank app or NetBank.

For more information visit commbank.com.au/paperless



To download the CommBank app today visit: commbank.com.au/commbankapp



Your personalised property experience

We have a dedicated section within NetBank and the CommBank app that redefines how you view, track and manage your home loan - providing you with detailed loan and property information to help you achieve your goals.

You can easily access it through NetBank and the CommBank app. Simply log on, and select your home loan to get access to a broad range of features including:

Equity position / calculation

Helping you calculate your equity position using your data such as home loan balance and offset savings, together with our knowledge of property prices.

Personalised property experience

The only experience in Australia that gives you a personalised view of your property situation to see how it's performing in relation to similar properties in your suburb.

Access to checklists, tools and articles for every step of the property journey

Providing you with the guidance you need to help explore options and reach your current or next property goal.

For more information, visit:
commbank.com.au/myproperty

Property search capability (partnership with Domain group) and affordability calculators

Access property search details overlaid with information such as upfront costs, repayments, lenders' mortgage insurance calculators and property values, so you can find a property you can afford.

Easily contact your Home Lending Specialist

Providing easier access to contact your dedicated Home Lending Specialist, who'll be there to help you with anything you need regarding your home lending needs.

Personalised property reports

Extensive suburb and property insights to give you all the information you need to make informed decisions or track and monitor performance over time.

When you need more money

If you're looking to get some extra money for renovations, to consolidate your debt or for personal reasons such as buying a car, your current home loan may be able to help you achieve this.

Using your existing equity

Equity is the difference between the market value of your property and the amount you still owe on your home loan. As you start to pay off your home loan over time, your loan balance decreases, and/or if your property value increases, you'll have more equity in your property.



Market value \$500,000

Owing on home loan
\$350,000

Equity
\$150,000

You can use your existing equity for various things such as renovating, buying a car or even as a deposit for your next home.

To find out how much equity you have in your home, you'll need a property valuation, so speak to your Home Lending Specialist who can discuss the best way forward.

Increase your home loan (top up)

Increasing your home loan can be an effective way to get extra money. If your loan type lets you do top ups, the amount by which you can increase it will depend on how much equity is in the property as well as your current financial situation. For more information about home loan top up, refer to page 37.

Refinancing your home loan

If you're looking to bring your home loan over to CommBank from another bank, or already have a home loan with us, we can help you through the steps to refinance.

There are many reasons you may choose to refinance, including wanting to save money, consolidating debts, or simply wanting more features and flexibility with your home loan.

Before you make any decisions, it's a good idea to weigh up your options and work out if refinancing is right for you. You'll also need to take into account any upfront or ongoing costs associated with exiting your current loan and switching to a new home loan. These may include settlement fees, loan establishment fees, loan service and exit fees and charges.

Refinance with FASTRefi®

With FASTRefi® we'll save you time by managing the refinance steps on your behalf. You can refinance your eligible existing home loan to us from another financial institution within days of us receiving your signed loan documents.

FASTRefi® is only available for eligible loans from selected financial institutions.

If your home loan isn't eligible, or FASTRefi® isn't for you, then you can choose our standard refinance option. FASTRefi® involves borrowing additional buffer amounts to cover the pay-out estimation. Once the loan is repaid and closed, any surplus funds will be refunded by the other financial institution.

For more information about refinancing, visit commbank.com.au/refinancing



Home buying language – simplified.

We've broken down common home buying jargon and put it into everyday language for you on the following pages.

Bridging home loan:

A short term home loan to pay for the purchase of your new property, before you sell your existing property.

For more information see page 15 of this brochure or visit:
commbank.com.au/need-a-bridging-loan

Co-borrower:

A co-borrower is the other person you take your home loan out with (i.e. your joint account holder). This person's name appears on loan documents and their income and financial history will also be used to apply for the loan.

Comparison rate:

This is the rate that helps you see the true cost of taking the home loan, making it easier to compare rates across different lenders. It's calculated using a standard formula to include the interest rate, as well as certain fees and charges related to the home loan.

Conditional pre-approval:

An indication from us that shows how much we are likely to let you borrow based on a review of your financial situation and needs, and it's subject to certain terms and conditions.

Construction loan:

A loan specifically for building or renovating where you can draw down the loan progressively and only pay interest on the amount you've used.

For more information visit:
commbank.com.au/buildingfactsheet

Conveyancing:

The process of transferring a property from one owner to the next. You'll need a lawyer, solicitor or licensed conveyancer to do this for you.

Cooling off period:

The cooling-off period is the very last stage that you, as a property buyer, can withdraw from a sale without major legal or financial consequences. The cooling off period varies depending on the state you live in and how you buy your property.

Fixed interest rate:

An interest rate that stays the same for a set period of time e.g. 2 years. If you have a home loan with a fixed interest rate, you'll know exactly how much your repayments will be for this period.

Guarantor:

A person, company or trust that helps you secure a loan by offering their own property (or properties) as additional security for your loan. If a company or trust is the borrower and is unable to service the loan, a guarantor can also help by contributing additional income. Guarantors cannot contribute additional income where the borrower is an individual.

Home loan increase or Home loan top up:

Through a top up you can borrow amounts over \$10,000 that are in addition to the original loan amount – subject to equity held in your property and our approval.

Interest only repayments:

The minimum payments only cover interest charges on the loan. Interest only repayments are for an agreed period of time.

For more information, visit
commbank.com.au/interestonly

Investment loan:

Loan provided for the purposes of purchasing, renovating, building an investment residential property or for acceptable personal investment.

Lenders' Mortgage Insurance (LMI) and Low Deposit Premium (LDP):

LMI is a one-off insurance premium designed to protect us if you're unable to pay your loan. LDP is a one off bank fee that's charged if you have a low deposit (usually less than 20%) on your home loan. LMI or LDP may apply depending on the deposit you have or the risk associated with your loan. The cost is added to your loan, and if you pay LDP, we won't ask you to pay LMI.

For more information visit:
commbank.com.au/low-deposit-options

Loan to value ratio (LVR):

The total you've borrowed for your loan as a percentage of your property value.

For example: if your property is valued at \$400,000 and you've borrowed \$320,000, your LVR is 80% (\$320,000 divided by \$400,000).

$$\frac{\$320,000}{\$400,000}$$

$$\text{LVR} = 80\%$$

Mortgage:

A mortgage gives the bank certain rights over any property you use as security for the home loan. A mortgage is commonly used to secure a loan from a lender.

Offset account:

A transaction account that you can link to an eligible home loan. The money in the offset account doesn't earn interest but instead offsets your loan balance and reduces the interest you pay on your loan.

For more information, visit:
commbank.com.au/everydayoffset

Off the plan:

When you commit to buy a property based on plans, before the property has been built. We may offer conditional pre-approval on a loan for off the plan purchases before construction commences. However we won't lend you any money until we have performed a valuation of the finished property and re-evaluated your financial situation.

Owner occupied:

When you live in the property you have the home loan for.

Principal and interest repayments (P&I):

The loan principal is the amount of money you borrow and the interest is the cost charged to borrow this money. The interest rate on your loan, the amount you borrow, the length of the loan term and the required repayment amount on your loan will determine how much interest you pay over the life of the loan.

Rate Lock:

Locking a fixed interest rate for 90 days from the date we process your rate lock request. You'll need to pay a non-refundable fee to do this and you can ask us to break the rate lock (e.g. if rates go down prior to funding).

Refinancing:

Moving your home loan from one lender to another (e.g. from another bank to CommBank).

Repayment holiday:

Lets you take a break (usually 3-12 months) from your repayments when you've made additional repayments on your loan.

Settlement or settlement date:

When the sale or purchase of a property is completed and ownership of the property is transferred.

Split loan:

When you divide one loan into two or more loan accounts, generally with different loan types, repayment types or interest rates.

Stamp duty:

Stamp duty is a government charge, or tax. The amount you pay depends on the value of the property, the state or territory in which it's located and whether you've purchased a property before in Australia.

Valuation:

A valuation is an opinion about the market value of a property asset at a specific date, by a person authorised to undertake valuations for security purposes.

Variable interest rate:

An interest rate that can go up and down over time. If you have a home loan with a variable interest rate, your repayments can change when the interest rate changes.

Notes

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Notes

[illegible]This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Financial Services Guide

Your Home Lending Specialist can provide you with the latest version of the Financial Services Guide so you can make an informed decision on whether you want to use our products and services. Alternatively, you can access one anytime at **commbank.com.au/Financial-Services-Guide**

Things you should to know: Applications for finance are subject to approval. Full terms and conditions will be included in the Bank’s loan offer. Bank fees and charges apply. The advice in this brochure has been prepared without taking your individual objectives, financial situation or needs into account. Information in this brochure including rates, and fees are subject to change.

^Comparison rate calculated on a \$150,000 secured loan over a 25 year term. WARNING: Comparison rate is true only for the examples given and may not include all fees and charges. Different terms, fees or other loan amounts might result in a different comparison rate. Comparison rates for variable Interest Only loans are based on an initial 5 year Interest Only period. Comparison rates for fixed or guaranteed Interest Only loans are based on an initial Interest Only period equal in length to the fixed or guaranteed period. During an interest only period, your interest only payments will not reduce your loan balance. This may mean you pay more interest over the life of the loan.

*Estimated market price is an estimate of a property’s potential market price based on external property data and CommBank’s own data. It is a guide only and does not take into account all factors that may affect a property’s value. It is not a Bank valuation for credit assessment purposes.

*FAST*Refi is a registered trademark of First American Title Insurance Company9 of Australia Pty Limited ABN 64 075 279 908 trading as First Title. First American Title Insurance Company of Australia Pty Limited is not part of the Commonwealth Bank of Australia.

Before acting on this advice, you should consider whether it is appropriate to your circumstances. Terms and conditions of Everyday Offset account (feature of an eligible transaction account) and NetBank are available by visiting our website commbank.com.au, calling 13 2221 or at any branch and should be considered in making any decision about these products.

We do not pay our staff commissions for supplying products to you. We pay them a salary and, in some cases, performance bonuses. Our staff may also receive payments for business they refer to other persons in the Bank who specialise in certain products and/ or services and may be eligible for prizes including overseas travel and gift vouchers. Our staff may also receive benefits such as tickets to sporting and cultural events, corporate promotional merchandise or other similar benefits from product providers whose products they may sell or for business they may refer to product providers. We receive commission for selling CommInsure Home Insurance and Loan Protection Insurance. The commission amount ranges up to 20% of every annual premium amount.

If you have a complaint, you can access our dispute resolution process by calling 13 2221 (call charges may apply). Commonwealth Bank of Australia ABN 48 123 123 124 AFSL and Australian credit licence 234945. Registered office: Ground Floor, Tower 1, 201 Sussex Street, Sydney, NSW 2000.

We're here to help.



Instantly make an appointment to meet with a Home Lending Specialist, at commbank.com.au/appointment



Visit any of our branches or locate a mobile lender who can come to you commbank.com.au/mobile-lender



Call us on **13 2224**, 8am to 8pm, 7 days.



For more information visit commbank.com.au/home-buying

