

Media Release

24 November 2020

Australian Unity Bank announces home loan rate cuts

Australian Unity Bank has reduced its fixed interest rate home loan rates for new customers following the Reserve Bank of Australia's measures to support job creation and the recovery of the Australian economy from COVID-19.

Our lowest ever fixed home loan rates are effective 11 November 2020. We are announcing the following rate cuts:

- Decrease of 0.15% for all new Owner Occupied Principal & Interest or Interest Only home loan with a 1 or 3 year fixed rate period^{1,3}, with rates starting from 2.09% p.a (comparison rate 3.11%p.a²).
- Decrease of 0.20% for all new Investor Principal & Interest or Interest Only home loan products with a 1 or 3 year fixed rate period^{1,3}, with rates starting from 2.45% p.a (comparison rate 3.38%p.a²)

All other home loan rates remain unchanged.

Standard interest rates for Australian Unity's Active, Easy and Freedom Saver accounts will be reduced by 0.15% effective 1 December 2020.

Tim Barber, Australian Unity Bank's Chief Executive Officer said Australian Unity Bank's products and services remain some of the most competitive in the market.

“Despite a very challenging year for our customers and the broader community we are pleased to have seen strong lending growth of around 10 times system, coupled with strong customer retention rates.”

“Australian Unity Bank has assets of over \$1billion and a BBB+ S&P credit rating and we are focused on enhancing the real wellbeing of our customers delivering on our 'banking that's good for you' customer value proposition —a program of work that identified the benefits to the customer beyond the product itself, ” Mr Barber said.

Customers who have questions regarding this change are encouraged to call Australian Unity on 1300 790 740.

About Australian Unity Bank

Australian Unity Bank Limited ABN 30 087 652 079 AFSL/Australian Credit Licence 237994 was previously known as Big Sky Building Society – originally a group of credit unions and building societies for specific employer groups. In October 2018 it rebranded as part of the Australian Unity family, offering a broader range of products and services to all Australians.

About Australian Unity

As one of Australia's oldest companies, our track record speaks for itself. In 1840, eight ordinary people came together in a Melbourne pub to form a friendly society with an ambition to help their fellow Australians in times of hardship. 180 years later, we're still committed to improving the real wellbeing of our customers, members and the wider community.

www.australianunity.com.au

Important information

Fees, charges and lending criteria apply for all loans and credit cards. Please refer to [Terms of Use](#) before applying for any product.

Any advice does not take into account your personal needs and financial circumstances and you should consider whether it is appropriate for you and read the relevant terms and conditions (including Terms of Use), any Product Disclosure Statement (if applicable) and [Financial Services Guide](#) before acquiring any product.

All loans and deposit products are issued by Australian Unity Bank Limited ABN 30 087 652 079 AFSL/Australian Credit Licence No. 237994

1. When choosing a fixed rate loan with Australian Unity, you need to know that if you decide later to switch your loan or to repay it early, then a fixed rate loan may not be suitable to you as it does have a Break Cost – you should also consider a variable interest contract prior to accepting a fixed rate offer to see what is most suitable for you and your circumstances. Break costs vary depending on the remaining term and balance on your loan but can be very large, to find out contact us on 1300 790 740.
2. Comparison Rate is based on a secured loan \$150,000 over a term of 25 years with fortnightly repayments. **WARNING:** the Comparison Rate applies only to the example or examples given. Different amounts and terms will result in different comparison rates. Normal lending criteria apply. Costs such as redraw fees or early repayment fees, and cost savings such as fee waivers are not included in the comparison rate but may influence the cost of the loan. Comparison rates for variable Interest Only loans are based on an initial 5 year Interest Only period. Comparison rates for fixed Interest Only loans are based on an initial Interest Only period equal to the fixed 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.

3. Interest rates current as at Wednesday 11 November 2020 and subject to change, available for new Australian Unity fixed rate loans only. At the end of the fixed rate period, the interest rate converts to the applicable Standard Variable Rate relevant to your loan purpose and repayment type at that time, less any applicable package discount specified in your Loan Contract. Fixed Rate Home Loans aren't for everyone and the rate may change at any time prior to the loan being settled. For more information of fixed rate loans click [here](#).