

Comparison Rate Schedule

As at 14 November 2005

Home Loans - Low Doc

PREMIUM OPTION HOME LOAN - LOW DOC

Amount of Loan	Term	Annual Percentage Interest Rate	Comparison Rate p.a.
\$50,000.00	7 years	7.32%	8.11%
\$70,000.00	25 years	7.32%	7.60%
\$100,000.00	25 years	7.32%	7.52%
\$130,000.00	25 years	7.32%	7.47%
\$150,000.00	25 years	7.32%	7.45%
\$200,000.00	25 years	7.32%	7.42%
\$225,000.00	25 years	7.32%	7.41%
\$250,000.00	25 years	7.32%	7.40%
\$275,000.00	30 years	7.32%	7.39%
\$300,000.00	30 years	7.32%	7.38%

FIXED OPTIONS HOME LOAN - LOW DOC

(fixed interest for 4 years)

Amount of Loan	Term	Annual Percentage Interest Rate	Comparison Rate p.a.
\$15,000.00	4 years	6.79%	10.68%
\$20,000.00	4 years	6.79%	9.70%
\$25,000.00	5 years	6.79% fixed for the first four years then the prevailing variable rate currently 7.32%	8.80%
\$30,000.00	5 years		8.47%
\$50,000.00	7 years		7.67%
\$70,000.00	25 years		7.40%
\$100,000.00	25 years		7.32%
\$130,000.00	25 years		7.27%
\$150,000.00	25 years		7.25%
\$200,000.00	25 years		7.22%
\$225,000.00	25 years		7.21%
\$250,000.00	25 years		7.20%
\$275,000.00	30 years		7.21%
\$300,000.00	30 years		7.20%

FIXED OPTIONS HOME LOAN - LOW DOC

(fixed interest for 3 years)

Amount of Loan	Term	Annual Percentage Interest Rate	Comparison Rate p.a.
\$15,000.00	4 years	6.65% fixed for the first three years then the prevailing variable rate currently 7.32%	10.58%
\$20,000.00	4 years		9.60%
\$25,000.00	5 years		8.74%
\$30,000.00	5 years		8.41%
\$50,000.00	7 years		7.65%
\$70,000.00	25 years		7.40%
\$100,000.00	25 years		7.32%
\$130,000.00	25 years		7.27%
\$150,000.00	25 years		7.25%
\$200,000.00	25 years		7.22%
\$225,000.00	25 years		7.21%
\$250,000.00	25 years		7.20%
\$275,000.00	30 years		7.21%
\$300,000.00	30 years		7.20%

FIXED OPTIONS HOME LOAN - LOW DOC

(fixed interest for 5 years)

Amount of Loan	Term	Annual Percentage Interest Rate	Comparison Rate p.a.
\$15,000.00	4 years	6.79%	10.68%
\$20,000.00	4 years	6.79%	9.70%
\$25,000.00	5 years	6.79%	8.78%
\$30,000.00	5 years	6.79%	8.45%
\$50,000.00	7 years	6.79% fixed for the first five years then the prevailing variable rate currently 7.32%	7.62%
\$70,000.00	25 years		7.36%
\$100,000.00	25 years		7.28%
\$130,000.00	25 years		7.23%
\$150,000.00	25 years		7.21%
\$200,000.00	25 years		7.18%
\$225,000.00	25 years		7.17%
\$250,000.00	25 years		7.16%
\$275,000.00	30 years		7.17%
\$300,000.00	30 years		7.16%

All Home Loans in this Schedule are Secured Loans.

WARNING: This comparison rate applies only to the example or examples given. Different amounts and terms will result in different comparison rates. 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 Rate Information – Home Loans

The Comparison rate is regulated by the Uniform Consumer Credit Code (UCCC), and it is mandatory to advertise this rate in all advertising relating to fixed term home loans and personal loans where an annual interest rate appears.

What is a Comparison Rate?

A comparison rate is an interest rate which takes into account foreseeable fees and charges associated with the loan. It's designed to be more comprehensive, and give you a better idea of how much your loan is going to cost you over the life of the loan.

While the comparison rate means that you'll now be able to more accurately compare the true cost of your home loan with those of other institutions and other products, it's important to keep in mind the features and benefits of the loan. Some loans offer more flexibility and features than other loans, so it's important to find the right product to suit your needs.

What does it include?

The Comparison Rate is calculated using a formula that takes into account the home loan interest rate, loan establishment fees, on-going loan maintenance fees and any foreseeable fees and charges that are associated with the loan.

What does it exclude?

The comparison rate does not include any government fees, charges or duties, or any fee or charge that is not ascertainable at the time the rate is disclosed. This refers, for example, to fees that are dependent on events that may or may not happen, such as early repayment fees. It does not include mortgage insurance or valuation charges, fee waivers or personal discounts that may apply to the loan.

How is it calculated?

The Comparison Rate is calculated using a formula specified by the regulations to convert the interest rate and fees into a single interest rate over the life of the loan.

What is the Comparison Rate Schedule for a product?

It is a list of designated loan amounts and terms prescribed by the regulations, and their corresponding annual interest rates and comparison rates. Note that schedules do not include the entire home loan product range available through Westpac, or all loan amounts across the products.

What's the difference between the Comparison Rate and the Annualised Average Percentage Rate (AAPR)?

The key differences between the Comparison Rate and the Annualised Average Percentage Rate that some lenders use are the assumptions, values and regulation differences that go into the formula.

Loan term and repayment frequency

The Comparison Rate Schedule provides examples of rates using multiple terms, and the formula also allows for different terms and repayment frequencies ie. weekly, fortnightly or monthly repayments. The AAPR on the other hand assumes a loan term of 7 years, and assumes that there are 12 monthly repayments per annum.

Loan amount and fees included

The Comparison Rate Schedule provides examples of rates using multiple loan amounts. The formula also includes establishment fees and recurring periodical bank fees such as monthly maintenance fees. The AAPR uses one loan amount of \$250,000 in its example, and includes various fees and charges. There are however no guidelines as to which fees and charges should be included or excluded.

Regulation

The Comparison Rate is regulated by the Uniform Consumer Credit Code (UCCC), and it's mandatory to advertise this rate in all advertising where an interest rate appears. The AAPR on the other hand is not regulated by the UCCC, and it is not mandatory to advertise this rate.

For more information, speak to one of our Home Loan Specialists or call 131 900.