



# PRODUCT SELECTION GUIDE



**HOME LOANS**  
International Finance Group

<b>INTEREST RATE</b>	<input type="checkbox"/> <b>VARIABLE RATE</b>	<input type="checkbox"/> <b>FIXED RATE</b>
	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>- Ability to make additional repayment.</li> <li>- Pay off the loan as soon as possible.</li> <li>- Access to extra funds.</li> <li>- No break costs if sell/ refinance.</li> </ul> <p><b>Considerations:</b></p> <ul style="list-style-type: none"> <li>- Repayment change depending on the economy.</li> </ul>	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>- Know exactly your repayment.</li> <li>- Repayment is not affected by the change in economy.</li> <li>- Potentially get cheaper rate.</li> </ul> <p><b>Considerations:</b></p> <ul style="list-style-type: none"> <li>- Can only make little additional repayment.</li> <li>- Repayment is only fixed for a number of years, re-fix the loan is required once fixed term expires.</li> <li>- Lock rate fees may applied.</li> <li>- Break cost can be substantial if sell/ refinance.</li> </ul>
<b>BRANCH</b>	<input type="checkbox"/> <b>PHYSICAL BRANCH</b>	<input type="checkbox"/> <b>100% ONLINE BANKING</b>
	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>- Accountability on face to face transaction.</li> <li>- ATM/ Deposit facilities is available in most locations.</li> <li>- Online facility is also available.</li> <li>- Bilingual staff may be available.</li> <li>- Extra service can be requested.</li> </ul> <p><b>Considerations:</b></p> <ul style="list-style-type: none"> <li>- Operate during working hours only. Limited during weekends.</li> <li>- May need to wait/ make booking prior visit</li> </ul>	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>- Access anywhere with 24/7 availability.</li> <li>- Potentially cheaper rate due to less expenses.</li> <li>- Still 100% comply with Australia Banking Industry Standard.</li> </ul> <p><b>Considerations:</b></p> <ul style="list-style-type: none"> <li>- A bit complicated to setup &amp; request services for non-technical savvy customers.</li> <li>- ATMs/ Deposit facilities may be limited in some locations.</li> </ul>
<b>PRODCUT</b>	<input type="checkbox"/> <b>BASIC</b>	<input type="checkbox"/> <b>PACKAGE/ PREMIUM</b>
	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>- No/ low ongoing fee.</li> <li>- Cheap introductory rate</li> <li>- Ability to upgrade to a package</li> </ul> <p><b>Considerations:</b></p> <ul style="list-style-type: none"> <li>- Other possible fees may apply: <ul style="list-style-type: none"> <li>o Access to additional funds</li> <li>o Switching</li> <li>o Change T&amp;C of the loan</li> <li>o Split multiple accounts</li> <li>o Additional fees on other products (credit card, transactional account, ...)</li> </ul> </li> </ul>	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>- Simplify all cost into ONE annual cost.</li> <li>- Potentially get better discount for the life of the loan</li> <li>- Unlimited access to additional funds.</li> <li>- Have offset account links with mortgage/ home loan account to reduce interest payment.</li> </ul> <p><b>Considerations:</b></p> <ul style="list-style-type: none"> <li>- Package fee can exceed all the possible costs</li> <li>- Some lenders may not have offset facility under fixed rate loan</li> </ul>
<b>REPAYMENT</b>	<input type="checkbox"/> <b>PAY PRINCIPLE AND INTEREST OF THE LOAN</b>	<input type="checkbox"/> <b>ONLY PAY THE INTEREST OF THE LOAN</b>
	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>- Reduce the loan balance over the years.</li> <li>- Cheaper interest rate.</li> <li>- Can borrow high loan / security ratio.</li> </ul> <p><b>Considerations:</b></p> <ul style="list-style-type: none"> <li>- May not benefit investors who want to make only minimum repayment on their investment property</li> </ul>	<p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>- Lowest repayment as only pay the interest of the loan during interest only terms.</li> <li>- Tax benefits for investors.</li> </ul> <p><b>Considerations:</b></p> <ul style="list-style-type: none"> <li>- Much higher interest rate</li> <li>- Loan / security ratio is limited at 80%</li> <li>- Borrowing capacity is less as the lender assess the application based on P&amp;I term.</li> <li>- Loan balance remains the same after interest only expires. Expose the risk of the loan balance is higher than property value.</li> <li>- Have to pay much higher P&amp;I repayment after the interest only period expires.</li> </ul>