



## **P&N Bank Home Loan Rate Changes 5 May 2016**

### Member Q&As

#### **1. Why has my home loan rate increased?**

P&N Bank announced a 14 basis point increase on **some** of its variable rate home loans on 22 April 2016.

The change was effective 29 April 2016.

Due to continued market pressures we have made the decision to increase home loan rates. This is not a decision we have taken lightly.

P&N has members who are depositors and members who are borrowers. In an environment where interest rates are low, we have to balance the value we provide to all members.

#### **2. Will P&N decrease deposit and home loan rates, since the Reserve Bank announced a decrease on 3 May 2016?**

Our current deposit and lending rates are competitive and align to the market. We will continue to review both deposit and lending pricing to ensure we deliver value to all of our P&N members.

We will advise impacted members of any further changes as they arise.

#### **3. Will there be any more rate increases outside of the Reserve Bank's decisions?**

We're unable to know for sure as the market can change rapidly. It is our intent to always remain competitive, and we will continue to review products and pricing across a range of factors, including Reserve Bank decisions.

#### **4. As a P&N member, how does this affect me?**

We will be notifying affected home loan members in writing where their interest rate changed on the 29<sup>th</sup> April.

#### **5. What are the home loan interest rates?**

Click [here](#) for the current interest rates.

## **6. What is the impact on my repayments?**

You will receive a letter from P&N Bank, which will provide details about your interest rate and any changes in repayment required for your loan.

For principal and interest loans, your new minimum repayment amount will be effective from your first due repayment on or after 3 June 2016.

## **7. How do I change my repayments if I need to?**

- **Direct debit** - if you need to update your direct debit instructions with us, please call us on **13 25 77**
- **Payroll** - if your payroll department organises your repayment from your pay, please ensure you advise them of the new required amount
- **Payroll split** - if you have your whole of pay coming to P&N Bank, please ensure you contact us on **13 25 77** to update your payroll split
- **Manual repayments** - to make a manual repayment to your loan using cash or Bank@Post, please ensure you take into account your new repayment amount when making payments

## **8. What can I do if I'm having difficulty making repayments?**

Please contact us on **13 25 77** so we can assist you with your situation and explore the options available to you.

## **9. When was the last time home loan rates increased?**

The last time P&N increased interest rates for owner occupied borrowers was in November 2010.

## **10. What is your best home loan rate?**

Depending on the purpose of your loan, you may be able to switch to a more suitable product.

Rates vary depending on if it's an owner occupied or investment loan. Our best owner occupied rate is currently 4.15% p.a. and our investment loan rate is 4.89%p.a. But it must be stated that terms and conditions may apply to loan applications and approvals.

Call us on **13 25 77** or visit your local branch for more information.

## **11. Who makes decisions on rates at P&N?**

A team of people experienced in banking and finance. Their role is to balance member's needs and market rate impacts to ensure a balanced approach for all members.

**12. Will the rates on personal loans and credit cards change?**

There are no planned changes to these products as they remain competitive, however we constantly review all our products and pricing.

**13. Who should I talk to for further information?**

P&N has a range of products and options available, including splitting loans between fixed and variable rates.

You are encouraged to call **13 25 77** or visit your local branch to discuss your banking arrangements and ensure you have the right product to suit your individual needs.