



**Harvest**

*Sow, nourish & harvest  
your wealth*

## HOME LOANS NEWSLETTER

September 2015

### *Reserve Bank interest rate announcement*

Today the Reserve Bank of Australia met to review the official cash rate. They have decided to leave the rate steady at 2.00% again this month. We expect that most lenders will leave their rates unchanged, in line with the Reserve Bank's decision.

### *Build a deposit for your property purchase*



Effective planning is key to getting the best results from your property purchase. The first step, when planning for purchasing your first home or investment property, is to build your deposit. You will need to show that you have at least 5% of the purchase price in genuine savings.

There really is no quick fix or easy way around it, the way to build up savings is to spend less than you earn. To start building your deposit today set a savings goal, prepare a budget and start to save. Take the time to do your research and make sure you are getting the best interest rate on your savings. Every little bit helps.

Knowing how much you need for your deposit will help you plan, and keep you motivated. You will need to determine your price range based on what is affordable for you. Allow

yourself some room in case interest rates go up, a buffer of 2% is generally a good idea. Once you have your price range there are many online calculators that can help you calculate the deposit you will need.

Below we have included some tips to help you increase your purchasing power:

- See what else you can cut from your budget to increase your savings
- Sell assets such as shares, a car or household items
- A gift from family can assist
- Borrow from family (if appropriate)
- Discuss a family pledge guarantee with your parents
- Make the purchase with another person, this could be your partner or a family member
- Purchase an investment property rather than a home to live in
- Go for a promotion or ask for a pay increase (if applicable)
- Include your regular bonus in your income (must have a 2 year track record)

#### **We can assist you with your home loan**

Shopping around, comparing and negotiating may save you thousands of dollars. We can assist with this research and decision making process free of charge.

At Harvest we provide independent advice about home loans based on your personal financial situation, and therefore, do not favour any particular lender. We have access to 27 loan providers to make sure you get the best value home loan by customising a package for you that best meets your needs.

#### **Our current best interest rates**

**The best home loan rates we currently have available:**

- Variable rate of **4.13% pa**
- 1 year fixed rate of **4.14% pa**
- 2 year fixed rate of **3.94% pa**
- 3 year fixed rate of **4.14% pa**



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