

Date: 09 July 2019

Interest Rates - Lending

Please be advised that Heritage Bank is reducing interest rates across its fixed rate home loan product range.

Rate changes are effective **Thursday 11 July 2019**.

Loan qualifying details

Loan Type	Repayment Type	Commitment Calculation
New Mortgage Loans (fixed / variable)*	Principal & Interest or Interest Only	Higher of the Qualifying Rate or actual rate + 2.2% **
Existing Variable rate	Principal & Interest or Interest Only	Higher of the Qualifying Rate or actual rate + 2.2% **
Existing Fixed rate (within 24 months of expiring)	Principal & Interest or Interest Only	Higher of the Qualifying Rate or actual rate + 2.2% **
Existing Fixed rate (with more than 24 months remaining)	Principal & Interest or Interest Only	Higher of the Qualifying Rate or actual rate + 2.2% **
Interest Only Loans	Interest Only	Based on the principal amount owing, amortised over the remaining principal & interest period applicable to the loan **
Line of Credits	Interest Only	Based on the facility Limit, amortised over the remaining principal & interest period applicable to the loan **

* New mortgage loans / new lending are defined as loans which have not been funded, irrespective of the financier or purpose of the loan.

** Where the remaining principal and interest term is unascertainable, the maximum term for qualification is to be 25 years, apart from line of credit facilities, where the maximum term for qualification is 20 years.

The standard mortgage loan qualifying rate is currently 7.15%

Regards,

Stewart Saunders

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