

A new item is now available on the HomeStart Broker site.

Quarterly CPI Adjustment

HomeStart's standard variable interest rate is 4.78% p.a.* and is comprised of two parts:

1. the Base Rate which is also described in some credit contracts as the 'Real Rate of Interest' and
2. the 'Inflation Adjustment Factor' which relates to the quarterly Consumer Price Index (CPI) adjustments.

When the September 2019 quarter CPI result becomes effective on 1 January 2020, the Base Rate will change from 3.55% p.a. to 2.51% p.a. and the Inflation Adjustment Factor will change from 1.23% p.a. to 2.27% p.a.

From 1 January 2020, the interest rate on the subsidised part of the Advantage and Equity Start loans will change from 1.23% p.a. to 2.27% p.a.

Rates from 1 January 2020 assume HomeStart's standard variable rate will remain at 4.78% p.a. This rate is subject to variation by HomeStart.

Customers were advised by public notice in The Advertiser, published on 6 November 2019 (see attached).

*Customers whose loans have different rate components that vary from those stated above will receive written notification.

If you have any questions, please contact your Business Development Specialist.

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Regards,
HomeStart Broker Team

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