

Interested in our interest rates?

Solid, here's what we'd like you to know.

What is an interest rate?

Interest is the cost of borrowing money.

An interest rate is expressed as a percentage of the total amount you borrow.

Interest is charged on most loans and lines of credit, for example, credit cards, payday loans, car loans and home loans.

How rates are calculated.

The Reserve Bank of Australia (RBA) determines the national cash rate. Banks consider this cash rate when setting interest rates for all their products, from savings accounts, personal loans to home loans.

When the RBA announces a change in the cash rate, either up or down, banks may decide to increase or decrease their rates too.

How interest rates work at Keystart.

Keystart interest rates are based on the average (standard variable) rate offered by the four major banks - Westpac, ANZ, NAB, and the Commonwealth Bank (CBA).

Keystart interest rates are variable, this means the rate may go up or down.

When interest rates decrease, your minimum monthly repayment may also go down.

Similarly, when interest rates increase, it means your minimum monthly repayments may go up in line with the rise in interest.

The minimum amount is just that - it's the minimum you'll need to pay to pay off your home loan over your remaining loan term.

That doesn't mean you can't pay more than the minimum. Making payments beyond the minimum amount will help build equity and help you pay off your home loan sooner.



Keystart creates pathways to earlier home ownership.

We aim to help more people get into home ownership earlier by offering low entry costs with our low deposit and no lender's mortgage insurance.

So yes, it's true: you might find a lower interest rate than ours. However, much lower rates will usually require a much higher up-front deposit.

Instead, with lower deposit requirements, we've successfully helped over 121,000 Western Australians into their own home sooner.



“It’s important to know how much interest you pay on your loans, whether it’s a personal loan, home loan or credit card.

Do your homework and shop around for the best rate and deal for you. When you see interest-free credit cards, they’re only interest-free for a set period of time. After that they begin to charge you interest and you may find yourself struggling to keep up with the sudden increase in cost of repayments.

Remember, if you get a Keystart home loan, our interest rates are variable, this means the interest rate can increase or decrease. Interest rates are likely to change many times over the course of your home loan.”

*Denise Conway, Manager,
Aboriginal Home Ownership Scheme, Keystart.*

Want to learn more?

- Visit our Financial Wellbeing Guide to Interest Rates on [keystart.com.au](https://www.keystart.com.au)
- Visit [MoneySmart.com.au](https://www.moneysmart.com.au) for more financial information.
- Try our Repayment Calculator on [keystart.com.au](https://www.keystart.com.au) to see how interest rates impact your home loan.
- When you're ready, get in touch and apply for a Keystart home loan.

This document was made in collaboration with Keystart's Aboriginal Home Ownership team, Aboriginal-owned business Norlap Creative and Aboriginal customers.



**Aboriginal Home
Ownership Scheme**

Keystart.