# Fixed Rate Home Loans

With a fixed rate home loan you can lock in or 'fix' your interest rate for a certain period of time, typically between one and five years. During the time your interest rate is fixed, your interest rate won't change.

At the end of the fixed term your loan will roll to a variable rate, unless your rate is re-fixed.

**Advantages of a fixed rate home loan:**

- Peace of mind and stability knowing what your interest rate will be
- Protect yourself against potential interest rate rises

**Downsides to a fixed rate home loan:**

- If interest rates decrease you don't receive the benefits of those movements
- Break Costs to end your fixed rate earlier than expected can be significant
- Additional repayments are often capped

## 100% Offset

Unlike other lenders, we offer a 100% offset account[1] on our Flex Home Loan, whether your loan is fixed or variable, so you can reduce the amount of interest you pay on your home loan. Our Bendigo Everyday Account operates as an offset account when linked to our Flex Home Loan.

An offset account is a transaction account that is linked to your home loan and used to reduce (or offset) the amount of interest you pay on your home loan. You can make deposits or withdrawals just as you would with an everyday transaction account, including access to e-banking and a Debit Mastercard®.

## Additional Repayments

You can make additional repayments of up to $20,000 per fixed term year, without incurring Break Costs. Your fixed term year starts from the date that your Fixed Rate period began and renews on the same date each year until your fixed term ends. Should you not make $20,000 in additional repayments, the remaining amount will not roll over to the next year.

## Fixed Rate Lock

Customers currently receive an automatic Fixed Rate Lock if the customer has elected a fixed rate product. If there is a rate change and fixed rates reduce, the customer will receive the lower rate when they settle. If rates increase, customers have the peace of mind that their initial rate will be retained. Loans must settle within 90 day from the time of the initial application.

## Break Cost Fee

**Why does the Bank charge a Break Cost Fee?**

When you take out a fixed rate home loan, we enter into a contract with you to fix your interest rate for your loan for a specified period. To enable us to fund your loan, we enter into a contract in the 'wholesale money market' to lock in our funding costs at a fixed rate for the same term as your contract with us. We do this to make sure we can manage the risk of interest rate changes and keep our costs stable for you by locking in our own funding costs.

If you decide to break your fixed rate term and wholesale interest rates change, we can make a loss as a result. So if we've made a loss as a result, a Break Cost Fee will apply.

**When can a Break Cost Fee be charged?**

If you do any of the following, a Break Event will occur and you may incur a Break Cost Fee:

- When you switch your loan from a fixed to a variable rate home loan, switch between fixed rate terms or switch home loan products
- When you borrow additional funds on your existing home loan
- We agree to vary your annual percentage rate
- You repay your loan account balance in full
- If you make additional repayments over $20,000 per fixed term year

A Break Cost Fee is only charged where we have suffered a loss as a result of the Break Event due to differences in market swap rate. We don't seek to profit from charging the Break Cost Fee, it's a way for us to recover the estimated loss caused by you breaking your fixed rate agreement.

**How is a Break Cost Fee calculated?**

Break Cost Fees are calculated using a formula which can be found within your credit contract, alternatively you can contact us by telephoning 1300 236 344 for assistance and to obtain an estimate of the Break Cost Fee applicable. Break Cost Fees may be significant, and we recommend contacting us before considering any of the above-mentioned Break Events to your fixed rate home loan.

[1] Full offset facility is available for the Bendigo Flex Home Loan for both variable and fixed loans. Offset facility can only be linked to one loan at any one time. A maximum of 6 offset facilities can be linked per loan. Linked offset must be in the same customer name/number. This document applies to Flex Home Loans & Easy Home Loans only. Bendigo Flex Home Loans & Bendigo Easy Home Loans are only available through certain Bendigo Bank home loan distribution channels. Subject to terms and conditions. Fees and charges apply. This material contains general advice only. We have not considered your circumstances. Consider whether the product is appropriate for you having regarding to your objectives, financial situation and needs before making a decision and read the terms and conditions available at www.bendigobank.com.au/disclosure-documents/ before making any decision. Bendigo and Adelaide Bank Limited. ABN 11 068 049 178. AFSL/Australian Credit Licence 237879. FS003 V4 18/12/2025 (2271997–2271853) (12/25)