

Home Loan Fees Information



All home loan contracts are subject to credit fees and charges

Home loan fees

Type	Description	Amount
Early Repayment fee	<p>We may charge an Early Repayment fee if you have a fixed interest rate for an agreed period (your fixed rate term) and during that period:</p> <ul style="list-style-type: none">You repay your home loan early, either partly or in full.You ask us to give you a different type of loan or a different type of interest rate, including another fixed rate.You ask us to change your loan term, or the type, frequency, or amount of your required payments.A breach of your home loan contract occurs, and we ask you to repay all of your home loan early. <p>The Early Repayment fee is to recover an estimate of our likely loss (if any) when you repay your fixed rate loan (either partly or in full) earlier than agreed.</p> <p>The calculation that estimates our loss in these situations is very complex. We don't use the formula set out in the Credit Contracts and Consumer Finance Regulations 2004. Instead we use our own mathematical formula. Our formula takes into account:</p> <ul style="list-style-type: none">The amount being repaid early, including any additional repayment allowance remaining.The wholesale interest rate* at the start of your fixed rate term.The relevant wholesale interest rate* at the date of your early repayment, for a period equal to the time remaining in your fixed rate term.What your current regular payments are.We adjust the wholesale interest rate* to reflect certain characteristics of your loan. <p>We then calculate the Early Repayment fee by comparing:</p> <ul style="list-style-type: none">the interest charges calculated using the wholesale interest rate* we determine applied at the start of your fixed rate term, and reflecting your scheduled regular payments for the time remaining in the fixed rate term (the first amount) and,the interest charges calculated using the relevant wholesale interest rate* we determine would apply from the date of your early repayment to the end of your fixed rate term, and reflecting your scheduled regular payments for the time remaining in the fixed rate term (the second amount). <p>We adjust both amounts to recognise that we will receive the payment now, instead of over the term of the home loan.</p> <p>If the first amount is larger than the second amount, that means we expect that your early repayment will cause a loss to us, and an Early Repayment fee will be charged.</p>	See description for payment calculation

*Wholesale interest rates are wholesale interest swap rates determined using relevant market information. When we determine the applicable rates, we use the most recently available market rate we have on the relevant day.

There are some situations where an Early Repayment fee won't be charged if you have a fixed rate loan:

- You can make additional payments up to \$10,000 per calendar year above your regular payments, without an early repayment fee applying (this is the additional repayment allowance).
- You can increase your regular payment amount up to three times over your fixed rate term. The total change in payment amount cannot be more than \$1,000 per month above the amount of your actual payment at the beginning of the fixed rate term.

Please note: The explanation above is simplified and the actual Early Repayment fee calculation is very complex. The result of the calculation depends on the specific features and terms of your home loan — it will not be the same for everyone and will change each day. You can get more information about the calculation, including a copy of the formula and examples of how the calculation works, at www.tsb.co.nz. **We recommend you ask us for a quote before you look to repay (either partly or in full) or restructure your fixed rate loan.**

Other charges

Other charges may be payable on demand if there is a breach of your home loan contract, any security, guarantee or other bank document. These charges are costs or losses we have to pay as a result of us exercising or not exercising our rights under those bank documents. For example, if we pay an insurance premium on your behalf, you must pay us that amount, and any interest which applies. Please see your Home Loan Terms and Conditions and Memorandum of Mortgage for more information.

The amount we have paid