

INTEREST

QUEENSLAND PROFESSIONAL CREDIT UNION LTD MEMBERSHIP INFORMATION – DECEMBER 2008



Mortgage Offset Account

Queensland Professional Credit Union's Mortgage Offset Account can cut years off your loan term and save you thousands of dollars in repayments!

What is a Mortgage Offset Account?

A Mortgage Offset Account is a savings account linked to your loan account, which allows you to offset your savings, salary and other cash resources against your home or investment loan.

How does it work?

The total balance in your Mortgage Offset Account is offset against the balance of your loan, and interest is then calculated on the remaining net amount of your home loan. For example, if you had a loan of \$300,000 and \$20,000 in your Mortgage Offset Account, you will only pay interest on \$280,000.

What are the benefits?

Pay off your mortgage sooner - Even though you are only paying interest on the \$280,000, your monthly repayments are calculated on the original amount of \$300,000. This means you will be making extra repayments, which will clear your debt faster!

Earn tax-free interest - whilst effectively you are earning interest on your savings account at the same rate as your loan account interest, there will be no interest posted to the Mortgage Offset Savings Account, and therefore no interest to declare on your tax return.

Visit us online at www.qldprofcu.com.au or call us on 1800 172 054 for more details.

