

# HOME LOAN STAR RATINGS

**IN THIS REPORT:** We research & rate:

**147 home loans, from**

**13 lenders**

to compile 5-star fixed & variable home loans for residential and investment purposes.



## BEING MORTGAGE-SAVVY COULD SAVE YOU \$,000s

With interest rates remaining low, the New Zealand property market is booming. In fact according to the latest QV House Price Index, released quarterly by the Reserve Bank of New Zealand (RBNZ), prices increased by 4.6% in the 12 months to September 2012. That's approximately five times the rate of overall inflation. It's good news for those who are currently in the property market; more challenging for those who are still trying to enter. Nevertheless, with the current cycle of low interest rates looking set to continue for at least the short term, many prospective buyers are weighing up their real estate options.

The extra activity in the residential property market signals the perfect time for new, as well as existing borrowers, to give their home loan and repayment strategy a health check. The potential benefit is tens of thousands of dollars in interest-cost savings.

## HOW MUCH DOES YOUR MORTGAGE REALLY COST?



For many people, their home loan is the biggest single debt they will take on in their lives. Paying it off over a very long period of time can hide the true cost of that loan

and with 30-year mortgages being commonplace, the interest paid can more than double the cost of the property.

Consider the following example of a \$300,000 home loan, on current variable interest rates, being paid off over thirty years:

Loan \$	\$300,000
Term of loan	30 years
Interest rate	5.80%
Monthly repayment	\$1,760
<b>Total Repayment</b>	<b>\$633,693</b>
<b>Total amount of interest paid</b>	<b>\$333,693</b>

With so much money at stake, consumers should take the time to find a mortgage that both suits their needs *and* offers fantastic value.

## WARNING: DON'T OVEREXTEND



Over the past twenty years, total housing and consumer loan debt has more than doubled in real dollar terms. Currently, household claims as a percentage of nominal disposable income has increased from 68% in early 1993 to the most recent figures of 142.8%.

The reason that this hasn't caused an affordability crisis - yet - is due to our currently-low interest rates. Our typical mortgage interest rates of approximately 5.8% are a great deal lower than the average of 9.6% that mortgage holders were experiencing in March 1993. Even that was low compared to rates of over 15% in 1990!

While an interest rate rise is not expected in the short-term, some small rises could well be on the cards over the medium term - and the reality is that it takes several years to start making inroads into a new mortgage.

What would be the result? Well, on our \$300,000, 30-year example above, a 2% rise in interest rates would cost mortgage-holders an extra \$400 per month. This additional cost would not be sustainable for some households.

The moral? Be realistic about how much you can afford to borrow and pour as much as possible into your loan - just in case the economy improves!

## THE STANDOUT PROVIDERS?

To help you compare loans, CANSTAR has looked at 147 home loans from 13 lenders across floating, fixed rate and line of credit loans for both residential and investment purposes. Across the seven loan categories assessed, several mortgage providers stood out as offering 5-star value. These included Kiwibank, achieving a 5-star rating in six of the loan categories, followed closely by Westpac, with a 5-star rating in five

categories. Bank of New Zealand achieved 5-star ratings in both the Standard Home Loan and Investment Home Loan categories and ANZ were 5-star rated in the Line of Credit, Residential Long-term and Investment Long-term categories.



## SHOP AROUND

Always remember that the best loan for you will depend on your individual circumstances. Our star ratings are easy to use and give you the ability to narrow down products worth investigating further. They are also useful in seeing how your current lender stacks up. With potentially many thousands of dollars to save, taking the time to shop around is a great return on investment.

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We endeavour to include the majority of product providers in the market and to compare the product features most relevant to consumers in our ratings. This is not always possible and it may be that not every product in the market is included in the rating nor every feature compared that is relevant to you.

## Residential Floating Rate Home Loan

Company Name	Product	Rate (as at 25/02/2013)	Loan Fees at 250K (\$)		Principal+ Int/Int only or both	Additional payments allowed	Redraw Facility	100% Offset Available	Max LVR (%)	Max term (years)	Top up Facility	Split Facility	Construction Loan
			Upfront	Ongoing									

All ratings take into account costs and features - see our methodology document for further details

### ★★★★★ Outstanding value

Bank of New Zealand	TotalMoney	5.74%	400	Nil	Both	✓	✓	✓	95	30	✓	✓	✓
Kiwibank	Offset	5.50%	250	10.00/m	Both	✓	✗	✓	95	30	✓	✓	✓

### ★★★★

ANZ Bank	Simple Variable	5.74%	500	Nil	Both	✓	✗	✗	95	30	✓	✓	✓
Bank of New Zealand	Variable	5.99%	400	Nil	Both	✓	✓	✗	95	30	✓	✓	✓
Kiwibank	Variable	5.65%	Nil	Nil	Both	✓	✗	✗	95	30	✓	✓	✓
Sovereign	Go Home Loan Variable	5.85%	250	Nil	Both	✓	✓	✗	95	30	✓	✓	✓

### ★★★

ASB Bank	Variable	5.75%	400	Nil	Both	✓	✗	✗	100	30	✓	✓	✓
BankDirect	Variable Rate Loan	5.75%	400	Nil	Both	✓	✗	✗	100	30	✓	✓	✓
Co-operative Bank	Discounted Floating Rate 1	5.20%	350	Nil	P+I	✓	✗	✗	95	30	✗	✓	✓
Co-operative Bank	Floating Rate	5.70%	350	Nil	P+I	✓	✗	✗	95	30	✗	✓	✓
New Zealand HomeLoans	Floating Rate	5.85%	500	Nil	Both	✓	✓	✗	95	30	✓	✓	✓
SBS Bank	Floating	5.65%	200	Nil	Both	✓	✗	✗	95	30	✓	✓	✓
TSB Bank	Variable	5.79%	250	Nil	Both	✓	✗	✗	90	60	✓	✓	✓
Westpac	Floating Variable	6.24%	400	Nil	Both	✓	✓	✗	95	30	✓	✓	✗

### ★★

Nelson Building Soc	Lifestyle Variable	6.45%	500	Nil	Both	✓	✓	✗	80	30	✓	✓	✓
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## Investment Floating Rate Home Loan

Company Name	Product	Rate (as at 25/02/2013)	Loan Fees at 250K (\$)		Principal+ Int/Int only or both	Additional payments allowed	Redraw Facility	100% Offset Available	Max LVR (%)	Max term (years)	Top up Facility	Split Facility	Construction Loan
			Upfront	Ongoing									

All ratings take into account costs and features - see our methodology document for further details

### ★★★★★ Outstanding value

Bank of New Zealand	Investment TotalMoney	5.74%	400	Nil	Both	✓	✓	✓	95	30	✓	✓	✓
Kiwibank	Investment Offset	5.50%	250	10.00/m	Both	✓	✗	✓	95	30	✓	✓	✓

### ★★★★

ANZ Bank	Inv Simple Variable	5.74%	2500	Nil	Both	✓	✗	✗	95	30	✓	✓	✓
Kiwibank	Investment Variable	5.65%	Nil	Nil	Both	✓	✗	✗	95	30	✓	✓	✓
SBS Bank	Investment Floating	5.65%	200	Nil	Both	✓	✗	✗	95	30	✓	✓	✓

### ★★★

ASB Bank	Investment Variable	5.75%	400	Nil	Both	✓	✗	✗	100	30	✓	✓	✓
Bank of New Zealand	Investment Variable	5.99%	400	Nil	Both	✓	✓	✗	95	30	✓	✓	✓
BankDirect	Variable Rate Investment Lc	5.75%	400	Nil	Both	✓	✗	✗	100	25	✓	✓	✓
Co-operative Bank	Investment Disc Floating 1 y	5.20%	350	Nil	P+I	✓	✗	✗	95	30	✗	✓	✓
Co-operative Bank	Investment Floating Rate	5.70%	350	Nil	P+I	✓	✗	✗	95	30	✗	✓	✓
New Zealand HomeLoans	Floating Investment	5.85%	500	Nil	Both	✓	✓	✗	95	30	✓	✓	✓
Sovereign	Inv Go Home Loan Variable	5.85%	250	Nil	Both	✓	✓	✗	95	30	✓	✓	✓
TSB Bank	Investment Variable	5.79%	250	Nil	Both	✓	✗	✗	75	60	✓	✓	✓
Westpac	Floating Investment Variabl	6.24%	400	Nil	Both	✓	✓	✗	95	30	✓	✓	✗

### ★★

Nelson Building Soc	Inv Lifestyle Variable	6.45%	500	Nil	Both	✓	✓	✗	80	30	✓	✓	✓
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# Home Loan Star Ratings

Report Date: FEBRUARY 2013

We endeavour to include the majority of product providers in the market and to compare the product features most relevant to consumers in our ratings. This is not always possible and it may be that not every product in the market is included in the rating nor every feature compared that is relevant to you.

## Residential Short Term

Company Name	Product	Rate (as at 25/02/2013)		Loan Fees at 250K (\$)			Rate set at accept or drawdown	Number of days rate guaranteed	Additional payments allowed	Principal+Int/Int only or both	Max LVR (%)	Max term (years)	Split Facility	Apply online
		1 Year Fixed	2 Year Fixed	Upfront	Ongoing	Refix								

All ratings take into account costs and features - see our methodology document for further details

### ★★★★★ Outstanding value

Kiwibank	Residential Fixed	5.25%	5.25%	Nil	Nil	100	Accept	45	✓	Both	95	30	✓	✓
Westpac	Choices Fixed	5.25%	5.40%	400	Nil	Nil	Accept	60	✓	Both	95	30	✓	✓

### ★★★★

ANZ Bank	Standard Fixed	5.25%	5.39%	500	Nil	Nil	Accept	60	✓	Both	95	30	✓	✓
Bank of New Zealand	Standard Fixed	5.25%	5.65%	400	Nil	150	Accept	60	✓	Both	95	30	✓	✓
Sovereign	Go Home Loan Fixed	5.45%	5.45%	250	Nil	Nil	Accept	60	✓	Both	95	30	✓	✗

### ★★★

ASB Bank	Residential Fixed	5.45%	5.45%	400	Nil	50	Accept	60	✓	Both	100	30	✓	✗
BankDirect	Residential Fixed	5.45%	5.45%	400	Nil	50	Accept	60	✓	Both	100	30	✓	✗
Co-operative Bank	Residential Fixed	5.25%	5.35%	350	Nil	100	Drawdown	60	✗	P+I	95	30	✓	✓
New Zealand HomeLoans	Standard Fixed	5.45%	5.45%	500	Nil	Nil	Accept	60	✓	Both	95	30	✓	✗
SBS Bank	Standard Fixed	5.25%	5.30%	200	Nil	100	Accept	30	✓	Both	80	30	✓	✗
SBS Bank	Standard Fixed	5.25%	5.30%	200	Nil	100	Accept	30	✓	Both	95	30	✓	✗
TSB Bank	Residential Fixed	5.25%	5.30%	250	Nil	100	Accept	60	✓	Both	80	60	✓	✓
TSB Bank	Residential Fixed	5.25%	5.30%	250	Nil	100	Accept	60	✓	Both	90	60	✓	✓

### ★★

Nelson Building Soc	Lifestyle Fixed	5.95%	6.25%	500	Nil	150	Accept	60	✓	Both	80	30	✓	✗
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## Investment Short Term

Company Name	Product	Rate (as at 25/02/2013)		Loan Fees at 250K (\$)			Rate set at accept or drawdown	Number of days rate guaranteed	Additional payments allowed	Principal+Int/Int only or both	Max LVR (%)	Max term (years)	Split Facility	Apply online
		1 Year Fixed	2 Year Fixed	Upfront	Ongoing	Refix								

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### ★★★★★ Outstanding value

Kiwibank	Investment Fixed	5.25%	5.25%	Nil	Nil	100	Accept	45	✓	Both	95	30	✓	✓
Westpac	Inv Choices Fixed	5.25%	5.40%	400	Nil	Nil	Accept	60	✓	Both	95	30	✓	✓

### ★★★★

ANZ Bank	Inv Standard Fixed	5.25%	5.39%	2500	Nil	Nil	Accept	60	✓	Both	95	30	✓	✓
Bank of New Zealand	Investment Standard Fixed	5.25%	5.65%	400	Nil	150	Accept	60	✓	Both	95	30	✓	✓
SBS Bank	Investment Standard Fixed	5.25%	5.30%	200	Nil	100	Accept	30	✓	Both	80	30	✓	✗
SBS Bank	Investment Standard Fixed	5.25%	5.30%	200	Nil	100	Accept	30	✓	Both	95	30	✓	✗

### ★★★

ASB Bank	Investment Fixed	5.45%	5.45%	400	Nil	50	Accept	60	✓	Both	100	30	✓	✗
BankDirect	Investment Fixed	5.45%	5.45%	400	Nil	50	Accept	60	✓	Both	100	30	✓	✗
Co-operative Bank	Investment Fixed	5.25%	5.35%	350	Nil	100	Drawdown	60	✗	P+I	95	30	✓	✓
Nelson Building Soc	Inv Lifestyle Fixed	5.95%	6.25%	500	Nil	150	Accept	60	✓	Both	80	30	✓	✗
New Zealand HomeLoans	Inv Standard Fixed	5.45%	5.45%	500	Nil	Nil	Accept	60	✓	Both	95	30	✓	✗
Sovereign	Inv Go Home Loan Fixed	5.45%	5.45%	250	Nil	Nil	Accept	60	✓	Both	95	30	✓	✗
TSB Bank	Investment Fixed	5.25%	5.30%	250	Nil	100	Accept	60	✓	Both	75	60	✓	✓



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## Residential Long Term

Company Name	Product	Rate (as at 25/02/2013)			Loan Fees at 250K (\$)			Rate set at accept or drawdown	Number of days rate guaranteed	Additional payments allowed	Principal+ Int/Int only or both	Max LVR (%)	Max term (years)	Split Facility	Apply Online
		3 Year Fixed	4 Year Fixed	5 Year Fixed	Upfront	Ongoing	Refix								

All ratings take into account costs and features - see our methodology document for further details

### ★★★★★ Outstanding value

ANZ Bank	Standard Fixed	5.90%	6.20%	6.60%	500	Nil	Nil	Accept	60	✓	Both	95	30	✓	✓
Kiwibank	Residential Fixed	5.65%	5.99%	5.99%	Nil	Nil	100	Accept	45	✓	Both	95	30	✓	✓
Westpac	Choices Fixed	5.90%	5.99%	5.99%	400	Nil	Nil	Accept	60	✓	Both	95	30	✓	✓

### ★★★★

Bank of New Zealand	Standard Fixed	5.90%	6.20%	6.50%	400	Nil	150	Accept	60	✓	Both	95	30	✓	✓
SBS Bank	Standard Fixed	5.65%	N/A	5.99%	200	Nil	100	Accept	30	✓	Both	80	30	✓	✗
SBS Bank	Standard Fixed	5.65%	N/A	5.99%	200	Nil	100	Accept	30	✓	Both	95	30	✓	✗
Sovereign	Go Home Loan Fixed	5.75%	5.95%	6.25%	250	Nil	Nil	Accept	60	✓	Both	95	30	✓	✗

### ★★★

ASB Bank	Residential Fixed	5.75%	5.95%	6.25%	400	Nil	50	Accept	60	✓	Both	100	30	✓	✗
BankDirect	Residential Fixed	5.75%	N/A	6.25%	400	Nil	50	Accept	60	✓	Both	100	30	✓	✗
Co-operative Bank	Residential Fixed	5.75%	5.99%	N/A	350	Nil	100	Drawdown	60	✗	P+I	95	30	✓	✓
New Zealand HomeLoans	Standard Fixed	5.75%	N/A	6.25%	500	Nil	Nil	Accept	60	✓	Both	95	30	✓	✗
TSB Bank	Residential Fixed	5.90%	6.10%	6.50%	250	Nil	100	Accept	60	✓	Both	80	60	✓	✓
TSB Bank	Residential Fixed	5.90%	6.10%	6.50%	250	Nil	100	Accept	60	✓	Both	90	60	✓	✓

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## Investment Long Term

Company Name	Product	Rate (as at 25/02/2013)			Loan Fees at 250K (\$)			Rate set at accept or drawdown	Number of days rate guaranteed	Additional payments allowed	Principal+ Int/Int only or both	Max LVR (%)	Max term (years)	Split Facility	Apply Online
		3 Year Fixed	4 Year Fixed	5 Year Fixed	Upfront	Ongoing	Refix								

All ratings take into account costs and features - see our methodology document for further details

### ★★★★★ Outstanding value

ANZ Bank	Inv Standard Fixed	5.90%	6.20%	6.60%	2500	Nil	Nil	Accept	60	✓	Both	95	30	✓	✓
Kiwibank	Investment Fixed	5.65%	5.99%	5.99%	Nil	Nil	100	Accept	45	✓	Both	95	30	✓	✓
Westpac	Inv Choices Fixed	5.90%	5.99%	5.99%	400	Nil	Nil	Accept	60	✓	Both	95	30	✓	✓

### ★★★★

Bank of New Zealand	Investment Standard Fixed	5.90%	6.20%	6.50%	400	Nil	150	Accept	60	✓	Both	95	30	✓	✓
SBS Bank	Investment Standard Fixed	5.65%	N/A	5.99%	200	Nil	100	Accept	30	✓	Both	80	30	✓	✗
SBS Bank	Investment Standard Fixed	5.65%	N/A	5.99%	200	Nil	100	Accept	30	✓	Both	95	30	✓	✗
Sovereign	Inv Go Home Loan Fixed	5.75%	5.95%	6.25%	250	Nil	Nil	Accept	60	✓	Both	95	30	✓	✗

### ★★★

ASB Bank	Investment Fixed	5.75%	5.95%	6.25%	400	Nil	50	Accept	60	✓	Both	100	30	✓	✗
BankDirect	Investment Fixed	5.75%	N/A	6.25%	400	Nil	50	Accept	60	✓	Both	100	30	✓	✗
Co-operative Bank	Investment Fixed	5.75%	5.99%	N/A	350	Nil	100	Drawdown	60	✗	P+I	95	30	✓	✓
New Zealand HomeLoans	Inv Standard Fixed	5.75%	N/A	6.25%	500	Nil	Nil	Accept	60	✓	Both	95	30	✓	✗
TSB Bank	Investment Fixed	5.90%	6.10%	6.50%	250	Nil	100	Accept	60	✓	Both	75	60	✓	✓





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## Line of Credit

Company Name	Product	Rate (as at 25/02/2013)	Loan Fees at 250K (\$)		Principal+ Int/Int only or both	Mandatory Repayments necessary	Interest Capitalisation allowed	Max LVR (%)	Max term (years)	Split Facility	Construction loan available	Apply online
			Upfront	Ongoing								

All ratings take into account costs and features - see our methodology document for further details

### ★★★★★ Outstanding value

ANZ Bank	Flexiplus	5.85%	2500	12.50/m	Both	✗	✓	95	No max	✓	✓	✓
Westpac	Everyday	5.75%	400	Nil	Both	✗	✓	95	30	✓	✓	✓

### ★★★★

ASB Bank	Orbit Home Loan	5.75%	400	12.00/m	IO	✗	✗	80	30	✗	✗	✗
Co-operative Bank	Revolving Credit Facility	5.70%	350	7.50/m	Both	✗	✓	95	30	✓	✓	✓
SBS Bank	Flexi-Loan Variable	5.65%	200	Nil	Both	✓	✓	95	30	✓	✓	✗

### ★★★

ASB Bank	Orbit Fast Track Home Loan	5.75%	400	12.00/m	IO	✗	✗	80	30	✗	✗	✗
Bank of New Zealand	Rapid Repay Home Loan	5.99%	400	3.50/m	Both	✓	✓	95	30	✓	✓	✓
BankDirect	FlexiLoan	5.75%	400	Nil	IO	✗	✗	100	30	✗	✗	✗
Kiwibank	Revolving Line Of Credit	5.65%	Nil	Nil	IO	✗	✓	95	1	✗	✓	✓
TSB Bank	Revolving Line Of Credit	5.79%	250	10.00/m	Both	✗	✓	75	40	✓	✓	✓

### ★★

Bank of New Zealand	Mortgage One	6.40%	400	20.00/m	IO	✗	✓	80	30	✓	✓	✓
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# HOME LOAN STAR RATINGS

## What are the CANSTAR *home loan star ratings*?

CANSTAR *home loan star ratings* are a sophisticated and unique ratings methodology that compares both Cost and Features across home loan products. CANSTAR star ratings represent a shortlist of financial products, enabling consumers to narrow their search to products that have been independently assessed and ranked. CANSTAR *home loan star ratings* is a transparent analysis comparing all types of home loan products.

Ratings range from five to one star. Five-star rated products have been assessed as offering outstanding value to consumers. Rising Stars are products that would be rated 5-star but have not been in the market for six months; these products will be formally rated in the following report once more historical data is available.

## What types of products are evaluated by CANSTAR home loan star ratings?

The following are assessed in the ratings:

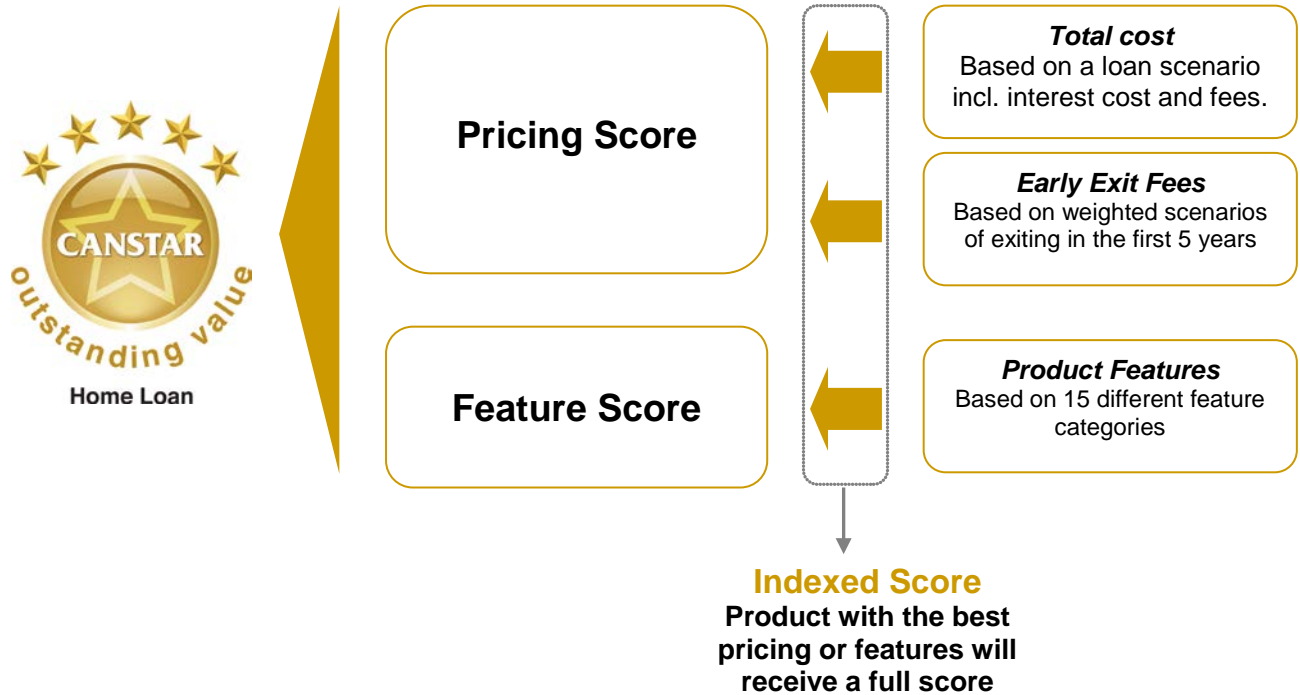
- Standard Home Loans
- Investment Home Loans
- Short Term Fixed Home Loans
- Long Term Fixed Home Loans
- Line of Credit

## How are the 'stars' calculated?

Each home loan reviewed for the **CANSTAR *home loan star ratings*** is awarded points for its comparative Pricing and for the array of positive Features attached to the product. Points are aggregated to achieve a Pricing score (P) and a Feature score (F).

To arrive at the total score CANSTAR applies a weight (w) against the Pricing and Feature scores. This weight will vary for product type and will reflect the relative importance of either costs or features in determining the best home loan product. This method can be summarised as:

$$\text{TOTAL SCORE (T)} = \text{PRICING (P)} + \text{FEATURES SCORE (F)}$$



Product Category	Pricing Weighting	Features Weighting
Residential Floating	75%	25%
Investment Floating	80%	20%
Residential Fixed Rate*	85%	15%
Investment Fixed Rate*	85%	15%
Revolving Line of Credit	60%	40%

Fixed rate home loans are broken into two profiles, Short Term and Long Term. This is for both residential and investment loans. Within each profile we consider multiple terms as listed below:

- Short Term Fixed
  - 1 Year Fixed
  - 2 Year Fixed
- Long Term Fixed
  - 3 Year Fixed
  - 4 Year Fixed/5 Year Fixed

Each term is worth 50% towards the products score within the profiles. For the Long Term Fixed profile the products performance in both the 4 Year Fixed and 5 Year Fixed will be considered, however, the term which the product performs the best in will go towards its total score.

## Pricing Score (P)

CANSTAR accounts for both current and historical interest rates in the calculation of the PRICING (P) component of each product's overall score. Each of the 6 months is weighted equally to arrive at the average total cost over the last 6 months.



Pricing Scores are based on the total cost calculation for the following scenarios:

Profile	Loan Term	Amount	No. of Rollovers
Standard Home Loan	25 Years	\$250,000	N/A
Investment Home Loan	25 Years	\$250,000	N/A
Short Term Fixed Home Loan	1 Year Fixed – 5 Years 2 Year Fixed – 6 Years	\$250,000	1 Year Fixed – 4 2 Year Fixed – 2
Long Term Fixed Home Loan*	3 Year Fixed – 6 Years 4 Year Fixed – 8 Years 5 Year Fixed – 10 Years	\$250,000	3 Year Fixed – 1 4 Year Fixed – 1 5 Year Fixed – 1
Line of Credit	25 Years	\$250,000	N/A

Included in the total cost calculation is the applicable interest rate, upfront fees, ongoing fees, rollover fees and end of term fees.

\*In the Long Term Fixed Home Loan profile each lenders three fixed and either their four year fixed or five year fixed will go towards their pricing score for this profile.

**Exit Fees** account for 2% of the Pricing star ratings score.



Fees applicable at each year-end are indexed and then weighted to they provide the Early Exit Fee score.

## Feature Score (F)

FEATURES consist of the following sections:

Category Name	FLOATING	INVESTMENT FLOATING	FIXED	Investment Fixed	Line of Credit
Lending Terms	26%	26%	26%	26%	25%
Redraw/Transactional Home Loan	17%*	15%*	-	-	18%
100% Offset Facility	17%*	15%*	-	-	-
Additional Repayments	12%	12%	12%	12%	-
Split Facility	8%	8%	8%	8%	6%
Switch Fees	6%	6%	8%	8%	5%
Home Loan Fees	5%	5%	5%	5%	5%
Security/Equity/Guarantee Options	5%	5%	5%	5%	5%
Top Up Facility	5%	4%	4%	4%	-
Construction Loans	4%	4%	3%	3%	1%
Security Requirements	4%	5%	5%	5%	5%
Portability	3%	3%	4%	4%	3%
Loan Application and Approval	4%	4%	4%	4%	4%
Borrowing Entity	1%	3%	1%	1%	2%
Line of Credit Details	-	-	-	-	17%
Fixed Interest Details	-	-	15%	15%	-
Loan Purpose	-	-	-	-	4%

\*The higher score of Redraw/Transactional Home Loan and 100% offset facility will be assigned to the product's overall feature score.

## How many products and financial institutions are analysed?

In order to calculate the ratings, CANSTAR analysed 153 home loan products across five categories from 15 financial institutions in New Zealand.

## How often are all the products reviewed for rating purposes?

All ratings are fully recalculated annually based on the latest features offered by each lender. CANSTAR also monitors changes on an ongoing basis. The results are published in a variety of mediums (newspapers, magazines, television, websites etc).

## Does CANSTAR rate other product areas?

CANSTAR researches, compares and rates the suite of banking products listed below. These star ratings use similar methodologies to guarantee quality, consistency and transparency. Results are freely available to consumers who use the star ratings as a guide to product excellence. The use of similar star ratings logos also builds consumer recognition of quality products across all categories. Please access the CANSTAR website at [www.canstar.co.nz](http://www.canstar.co.nz) if you would like to view the latest star ratings reports of interest.



- Agribusiness
- Business deposits
- Cash PIE
- Credit cards
- Credit card rewards
- Home loans
- Kiwisaver
- Online banking
- Personal loans
- Savings accounts
- Transaction accounts

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