

# Home, sweet home loan

It may seem hard to get ahead on the property market but have you looked at all avenues? Here's another question – what actually is a credit union?



**SCU** More Generous Banking

## 3 Year Fixed Rate Home Loan Package

**3.69%** pa<sup>1</sup> | **4.00%** pa<sup>2</sup>  
3 Year Fixed Rate | Comparison Rate

+ \$500 CASH BACK for all new SCU Home Loans over \$150,000<sup>3</sup>

*My Life*  
THE BEST HOME LOAN

## Basic Variable Rate Home Loan

**3.77%** pa<sup>4</sup> | **3.81%** pa<sup>2</sup>  
Basic Variable Rate | Comparison Rate

+ \$500 CASH BACK for all new SCU Home Loans over \$150,000<sup>3</sup>

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OF COURSE you've heard of credit unions – they have a long history in this country. SCU (Sydney Credit Union), for example, has been operating for more than 50 years, having begun life as a banking alternative. But what do you really know about them? It's easy to believe many consider the term just a fancy way of saying 'bank'. There are, however, some significant differences and, for families, couples and indeed any prospective home owners, it really is well worth finding out what they are.

### People before profit

First and foremost, the biggest difference between the likes of the 'big four' banks and smaller-scale community banking, which aptly describes most credit unions, is ethos – the very characteristics of a culture and its core aims. No matter how the banks spin it, the bottom line for them will always be... their bottom line. Credit unions, on the other hand, are generally set up so that they can serve their members first rather than focus on the ardent goal of maximising corporate revenue – something banks achieve through fees, additional charges and higher interest rates.

*"I always walk away with the feeling I'm being looked after, not taken for a ride."*

Credit unions can afford to take a very different approach because of how they are structured. They follow a cooperative model, so are owned and operated by their members, which gives all involved a greater spread of benefits, not least of which are very sharp, very low interest rates on loans. Because there are no profit-focused shareholders to answer to, it means credit unions can purely concentrate on delivering the best possible products and customer service.

This type of community-banking blueprint brings lower expenses for the organisation which enables their savings to be absorbed into crucial benefits for

members that you just won't get from banks – such as zero, or much, much lower, fees and charges.

### Freedom of choice

The core difference in approach and ideology between banks and credit unions might be well pronounced but the lines are blurred when it comes to the range of products and services both offer. As case in point, SCU offers you just as much choice and flexibility as the banks with its home loans – and it's a credit union that prides itself on its industry-award-winning products, so you'll struggle to find lower interest rates anywhere.

From variable to fixed rates, SCU provides you with more than 10 different home-loan packages to choose from. Its three-year, fixed-rate My Life package, for example, carries interest of a super-low 3.69 per cent per annum, proving that it really does pay to shop around.

"We are saving thousands of dollars in interest on our home loan," says SCU member Bill Andoniadis. "It's money that can be better spent on our family."

### It's all about you

The big banks may have more ATMs and 24/7 off-shore customer-service lines to call at 3am, but you can rest assured that a good credit union will genuinely place the focus on you and your needs at all times. As much as it is a desire to please and find you more generous banking solutions, it's a massive part of how they differentiate themselves.

"I always walk away with the feeling that I'm being looked after, not taken for a ride," says Jeanette Macdonald, another SCU member. "I suppose that's the difference between being a member of an organisation that cares about you, and a customer of a big institution that doesn't."

To learn more about SCU's range of home loans, call into one of its 17 branches or VISIT [SCU.NET.AU](http://SCU.NET.AU)

<sup>1</sup>The 3.69% rate is based on a 3 year fixed interest rate My Life Home Loan Package reverting to the My Life variable \$150,000 to \$249,999 rate. <sup>2</sup>The comparison rate is based on a \$150,000 loan over a term of 25 years. WARNING this comparison rate is true only for the example given and may not include all fees and charges. Different terms, fees or other loan amounts might result in a different comparison rate. <sup>3</sup>The \$500 cashback promotion is available to any new SCU home loan over \$150,000 and must be funded within 3 months of the application date. Not available for refinancing of existing SCU loans. Excludes commercial loans. Only one \$500 Cash Back will be paid during the campaign regardless of the number of loans funded. <sup>4</sup>The 3.77% rate is based on a Variable interest rate Home Loan minimum \$150,000. All applications are subject to SCU normal lending criteria. Terms, conditions, fees and charges apply. Full details available on application. All information is correct as at 01/03/17 and subject to change. Sydney Credit Union Ltd | ABN 93 087 650 726 | AFSL / Australian Credit Licence Number 236476.