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## Variable interest rate decrease

Dear Business Partner,

I'm writing to let you know that Bank Australia will decrease its variable home loan and commercial rates effective **4 March 2025** in response to the RBA's recent decision to cut the official cash rate.

Interest rates will **decrease by 0.25%** for variable owner-occupied and investment loans. Commercial variable rate loans will also decrease by 0.25%. Home loan customers will be advised of the changes to their rate and repayments shortly.

## Changes to our policy for non-electric vehicle loans

From **20 February 2025**, Bank Australia will only fund loans for fully electric vehicles. Loans for new combustion engine vehicles (including low emission and hybrid vehicles) **will no longer be eligible**. Demo vehicles with less than 1,000km are considered new vehicles.

Additionally, purchasing **new internal combustion engine vehicles** will be classified as an **unacceptable loan purpose**. This includes limit increases or cash outs against residential securities.

Applications affected by this change must be funded by **28 February 2025**.

Please note, there are **no changes** to the criteria for used car loans. All applications for used car loans will continue to be accepted as they are now.

## Reach out if you need support

If you have any questions or need additional support, please contact the broker support team at 03 9854 4818 or [brokersupport@bankaust.com.au](mailto:brokersupport@bankaust.com.au). Alternatively, reach out to your relationship manager directly.

Thanks for your ongoing support.

Regards,  
**Matt Wood**  
National Manager – Broker



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We respectfully acknowledge the Traditional Custodians of all the lands on which we work, and pay our respects to Elders past and present. Our head office is located on the land of the Wurundjeri peoples of the Kulin Nation. We recognise their continued connection to the land, waters and culture and we acknowledge their sovereignty has never been ceded. We acknowledge the constant resistance and resilience of First Nations peoples in their fight for self-determination.

We support the Uluru Statement from the Heart to achieve justice, recognition and respect for First Nations peoples. We see reconciliation as a fundamental responsibility for Bank Australia and we are committed to advancing reconciliation with First Peoples across Australia.