



Mozo Experts Choice Awards **Home Loans 2024**

Methodology Report
January 2024



Mozo Experts Choice Awards

Home Loans 2024

Every day, Mozo keeps track of thousands of products in banking, insurance and energy.

We use our knowledge and experience to identify those products that offer great value or market-leading features, and we recognise them with the Mozo Experts Choice Awards.

- For product providers, a Mozo Experts Choice Award is a third-party endorsement of their product.
- For consumers, it's a sign that a product is among the leaders and is worthy of consideration.

This report lists the winners and explains the judging methodology for our 2024 Home Loan awards.

Home Loans - 2024 Winners

Home Lender Of The Year



People's Choice has been crowned Home Lender of the Year for 2024 for its award wins that showcase the broad range of borrowers it offers outstanding products for. People's Choice took out awards in the Low Cost Home Loan, Offset Home Loan, Fixed Rate Home Loan, Packaged Home Loan and Investor Fixed and Investor Variable Home Loan categories.

Exceptional Value Home Lender

This award category recognises the handful of lenders who took out award wins across several categories, making them worthy of recommendation for a range of borrowers. The judges considered which lenders had won a Low Cost Home Loan award, then which other categories they had won awards in, with priority given to those categories more likely to be of use to a wide range of borrowers. The outstanding performance of these lenders throughout these awards makes them worthy of consideration by most borrowers.

Australian Mutual Bank

Bendigo Bank

Heritage Bank

Police Bank

Regional Australia Bank

Tiimely

Low Cost Home Loan

For this category the Mozo judges assessed 270 variable rate loans for owner occupier borrowers making principal & interest repayments, and identified these as the lowest cost for several different loan-to-value ratios.

abal banking	The Basics
Australian Mutual Bank	Special Offer 3 Year Discounted Basic Variable Rate Home Loan
Auswide Bank	Basic Home Loan
BankVic	Variable Home Loan
Bendigo Bank	Express Home Loan
Challenger	Basic Home Loan
First Choice Credit Union	2 Year Discount Rate Mortgage
First Option Bank	Simple Home Loan Variable
Heritage Bank	Discount Variable Home Loan
Homeloans360	Owner Variable Home Loan
Homestar	Star Gold Home Loan
HSBC	Discounted Home Value Loan
Hume Bank	liteBlue Rate Variable Home Loan
Illawarra Credit Union	Bare Essentials Special Offer
Northern Inland Credit Union	Dream Value Home Loan Special Offer
Pacific Mortgage Group	Standard Variable Home Loan
People's Choice	Basic Variable Home Loan

Police Bank	First Home Loan Variable
Police Credit Union	The Better Home Loan Special Offer
RACQ Bank	Fair Dinkum Home Loan
Reduce Home Loans	Basic Home Loan Variable
Regional Australia Bank	Mortgage Offset Home Loan
The Capricornian	Country to Coast Variable Rate Offset Home Loan
The Mutual Bank	Special Budget Home Loan
Tiimely	Variable Home Loan
Unloan	Unloan Variable

Offset Home Loan

Of the 181 variable rate loans offering a 100% offset facility, the Mozo judges found that these were the lowest cost.

Auswide Bank	Home Loan Plus
Bendigo Bank	Express Home Loan
Easy Street	Street Smart Variable Home Loan
First Choice Credit Union	2 Year Discount Rate Mortgage
Homeloans360	Owner Variable Home Loan
Northern Inland Credit Union	Dream Value Home Loan Special Offer
People's Choice	Variable Home Loan
Police Bank	First Home Loan Variable
Police Credit Union	The Better Home Loan Special Offer
Regional Australia Bank	Mortgage Offset Home Loan
The Capricornian	Country to Coast Variable Rate Offset Home Loan
Tiimely	Variable Home Loan
Up	Home Variable Rate

Packaged Home Loan

To find the lowest cost package loans, the judges assessed 50 products, then identified those that were the lowest cost options where the borrower could also get a credit card and bank account that doesn't charge any account keeping fee with that same provider.

Community First Bank	Accelerator Home Loan
Heritage Bank	Variable Rate Loan
HSBC	Home Smart Loan
HSBC	Standard Variable Rate Home Loan
ING	Orange Advantage
Newcastle Permanent	Discounted Variable Home Loan
People's Choice	Variable Home Loan

First Home Buyer Loan

First home buyers often have less than a 20% deposit, so for this category we identified the lowest cost variable rate loans for those looking for a 90% LVR loan. The assessment included special offers for borrowers taking advantage of the government's First Home Loan Deposit Scheme. For this category the Mozo judges assessed 236 variable rate loans and identified these were the lowest cost.

Bendigo Bank	Express Home Loan
Community First Bank	Basic Variable Home Loan
Easy Street	Street Smart Variable Home Loan
First Choice Credit Union	2 Year Discount Rate Mortgage
Illawarra Credit Union	Bare Essentials Special Offer
loans.com.au	Variable Home Loan 90
Police Bank	First Home Loan Variable
Qantas Money	Variable Home Loan
Regional Australia Bank	Basic Home Loan Special
The Capricornian	Country to Coast Variable Rate Offset Home Loan
Tiimely	Variable Home Loan
Up	Home Variable Rate

Fixed Rate Home Loan

To be considered in this category the lender has to offer at least 3 different fixed rate terms which resulted in 133 products being assessed. The judges calculated the annual cost of each fixed rate term offered and ranked them, then averaged the three best results.

Australian Mutual Bank	Fixed Rate Home Loan
BCU Bank	Fixed Rate Home Loan
Greater Bank	Great Rate Home Loan
Greater Bank	Ultimate Home Loan
Heritage Bank	Fixed Loan
Heritage Bank	Fixed Rate Loan (Home Advantage)
IMB Bank	Fixed Home Loan
Newcastle Permanent	Special Fixed Rate Home Loan
Newcastle Permanent	Special Discounted Fixed Rate Home Loan
People's Choice	Fixed Rate Home Loan
Qudos Bank	Fixed Rate Home Loan
RACQ Bank	Fixed Home Loan
Regional Australia Bank	Fixed Home Loan
South West Slopes Credit Union	Optimum Fixed Rate Home Loan
Up	Home Fixed Rate

Investor Home Loan

This award assessed the 194 variable rate loans available for investors that offered both principal & interest and interest only as an option. The winners below were found to be the lowest cost options.

Auswide Bank	Basic Home Loan
Bank of us	Flexichoice Home Loan
BankVic	Variable Home Loan
Bendigo Bank	Express Home Loan
Community First Bank	Basic Variable Home Loan
Credit Union SA	Variable Rate Home Loan Special Offer
Easy Street	Street Smart Variable Home Loan
Greater Bank	Discount Great Rate Home Loan
Homestar	Star Classic Investment Variable Home Loan
HSBC	Discounted Home Value Loan
Hume Bank	liteBlue Rate Variable Home Loan
Newcastle Permanent	Special Real Deal Home Loan
People's Choice	Basic Variable Home Loan
Queensland Country Bank	Ultimate Home Loan Special

Investor Fixed Home Loan

For this award, we identified the lenders with the lowest costs over a range of fixed terms for investors. We assessed 113 loan options, calculating the annual cost of each fixed rate term offered, averaging the three best results. The calculation was performed using rates applicable to both principal & interest and interest only loans.

Australian Mutual Bank	Investment Fixed Rate Home Loan
BCU Bank	Fixed Rate Home Loan
Greater Bank	Great Rate Home Loan
Greater Bank	Ultimate Home Loan
Newcastle Permanent	Special Fixed Rate Home Loan
Newcastle Permanent	Special Discounted Fixed Rate Home Loan
People's Choice	Fixed Rate Home Loan
RACQ Bank	Fixed Home Loan

Best Green Home Loan

Loans considered for this award must only be available to homes that have been certified with a minimum level of environmental efficiency and below was found to be the lowest cost options.

loans.com.au

Green Home Loan

Best New Home Loan

These recently introduced loans have garnered attention. Qantas Money's latest offering stands out as an excellent blend of competitive rates and Qantas point benefits. Notably, The Capricornian launched the most favorable rate among all the newly launched home loans.

Qantas Money

Variable Home Loan

The Capricornian

Country to Coast Variable Rate

How do we judge the winners?

Mozo Experts Choice Awards for Home Loans are awarded based on the following methodology:

Cost Calculations

For variable rate loans, we assume a 25 year loan is held for 5 years at current interest rates and then discharged. Loans were ranked in order of the total interest and mandatory fees that would be paid in that scenario. Mandatory fees include application or establishment fees, valuation fees, legal fees, settlement fees, regular service fees and discharge fees. We assumed owner occupiers make principal & interest repayments, and for investors we used the average of a principal & interest and an interest only calculation.

For fixed rate loans, we performed the same calculation but assuming the loan was only held for the fixed rate period and determined the annual cost. We performed this calculation for each fixed rate period available on the product, took the 3 lowest cost results from each product, then averaged and ranked them. Providers with less than 3 fixed rate options were excluded from consideration.

Investor loans were assessed with equal weighting applied to both principal & interest and interest only rates.

The results of these calculations were then averaged and ranked. Prior to averaging across different scenarios, loan costs were standardised by applying a factor to interest costs so that loans of different sizes could be weighted equally, and by annualising each cost so that loans of different terms could be weighted equally.

All products were assessed at rates and fees applicable on 18 December 2023.

Low Cost Home Loan

Recognises the lowest cost variable rate home loans for owner occupiers. To qualify for this award, loans must:

- have a variable interest rate;
- be available for a loan of \$500,000;
- allow principal & interest repayments.

In this category we assessed rates offered at 60%, 70%, and 80% loan-to-value ratios and the winners were those that performed best in each of those assessments.

Offset Home Loan

Recognises the lowest cost variable rate loan with offset account for owner occupiers. To qualify for this award, loans must:

- allow a loan-to-value ratio of 80%;
- have a variable interest rate;
- be available for a loan of \$500,000;
- allow principal & interest repayments;
- offer a 100% offset account.

Packaged Home Loan

Recognises the lowest cost variable rate packaged home loan for owner occupiers. To qualify for this award, loans must:

- allow a loan-to-value ratio of 80%;
- have a variable interest rate;
- allow principal & interest repayments;
- offer a 100% offset account;
- offer a credit card with no annual fee;
- offer a bank account with no service fee.

For this category the cost calculations detailed above were performed three times using the rates that would apply for three different loan amounts - \$400,000, \$550,000 and \$850,000.

First Home Buyer Loan

Recognises the lowest cost home loans for owner occupiers that are available for borrowers with less than 20% deposit. To qualify for this award, loans must:

- allow a loan-to-value ratio of 90%;
- have a variable interest rate;
- be available for a loan of \$500,000;
- allow principal & interest repayments.

For this category we also considered loans from lenders who are participating in the government's First Home Loan Deposit Scheme.

Fixed Rate Home Loan

Recognises the lowest cost fixed rate loans for owner occupiers. To qualify for this award, loans must:

- allow a loan-to-value ratio of 80%;
- have at least three fixed rate terms;
- be available for a loan of \$500,000;
- allow principal & interest repayments.

Investor Home Loan

Recognises the lowest cost variable rate loans for investors. To qualify for this award, loans must:

- allow a loan-to-value ratio of 80%;
- have a variable interest rate;
- be available for a loan of \$500,000;
- offer both principal & interest and interest only repayment options.
- Products where the rate was only available if packaged with an owner occupier home loan were not eligible for an award.

Investor Fixed Home Loan

Recognises the lowest cost fixed rate loans for investors. To qualify for this award, loans must:

- allow a loan-to-value ratio of 80%;
- have at least 3 fixed rate terms;
- be available for a loan of \$500,000;
- offer both principal & interest and interest only repayment options.

Best Green Home Loan

Recognises the lowest cost loan that is only available for people purchasing an environmentally friendly property. To qualify for this award, loans must:

- Be restricted to borrowers buying a property with minimum defined level of environmental efficiency
- allow a loan-to-value ratio of 80%;
- have a variable interest rate;
- be available for a loan of \$500,000;
- allow principal & interest repayments.

Best New Home Loan

All new products added to the Mozo home loan database in the last 12 months were considered for this award. Our judging panel assessed each of these products on their benefits to potential customers and any novel features or facilities it offered.

Home Lender Of The Year

To determine the 'of the Year' award recipients we examined how each lender performed in each of the award categories shown above, looking for consistent and broad ranging performance. This included an assessment of:

- the number of different categories in which they won awards,
- how well they performed relative to other lenders of a similar type in each category,
- relative strengths or gaps in any categories.

Exceptional Value Home Lender

The judging criteria involved recognizing lenders that offer exceptional value across a range of different home borrower needs. The exceptional performance of these lenders across various award categories makes them compelling choices for consideration of this category.

What products do we consider?

In carrying out the Mozo Experts Choice Awards in Home Loans, we considered thousands of rate variants across 475 home loans from 99 lenders. A full list of eligible lenders is available at the end of this document.

The analysis is based on data contained in Mozo's product database as at 18 December 2023 .

We aim to include most home loan providers in the market in the Mozo Experts Choice Awards. However, not every home loan product on the market will be included in our review. Our analysis only considers mutuals with at least \$500m in total assets.

Any home loan product we review must be available in the market at the time of our analysis and any offers included must be available to the general public on the provider's website.

How many winners are there?

We typically aim to award the top 10% of products in each category. The judges may use their discretion to adjust the cutoff up or down as necessary after examining the difference between products at the margin.

How we manage conflicts of interest

Mozo Experts Choice Awards are awarded irrespective of a product provider's commercial relationship with Mozo.

The Awards are based on objective verifiable facts and analysis wherever possible, and any assumptions made are set out in this report. Mozo's Research Team analyses product data and determines the winners in each Mozo Experts Choice category without reference to Mozo's sales or commercial functions.

Providers do not pay to enter the Mozo Experts Choice Awards.

Should a winning provider wish to use the Mozo Experts Choice Awards badges in their own marketing activities, Mozo charges them a license fee.

About Mozo

Mozo provides a comparison service with the goal of helping consumers to make their own financial decisions and save money. Mozo offers consumers a comprehensive product comparison service across the retail banking market, general insurance, life insurance, business banking, energy and more.

Hundreds of thousands of Australians a month use Mozo's comparison service. Mozo's comparison technology and expertise has been used by some of Australia's largest online publishers.

Mozo holds an Australian Financial Services Licence and an Australian Credit Licence. Mozo's management team have experience in consumer credit and financial services in a variety of roles from executive management, marketing, actuarial services and technology. Mozo's team are often called upon to provide expert media commentary in relation to the product areas they cover.

Our Mozo Experts Choice Awards analysis is overseen by AJ Duncanson, Mozo's Director of Data & Compliance, and Peter Marshall, our Financial Services Specialist. AJ is a data scientist and actuary and has worked in financial services and product comparison for over 31 years. Peter has worked for a wide range of Australian banks and product comparison for the past 37 years. Both AJ and Peter act as Responsible Manager on Mozo's Australian Financial Service Licence and Australian Credit Licence.

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Appendix

List of all home loan providers considered in the awards.

abal banking	Firefighters Mutual Bank	Pacific Mortgage Group
Adelaide Bank	First Choice Credit Union	People's Choice
AMP Bank	First Option Bank	Police Bank
ANZ	firstmac	Police Credit Union
ANZ Plus	FreedomLend	Qantas Money
Athena	G&C Mutual Bank	QBANK
Aussie	Gateway Bank	Qudos Bank
Australian Military Bank	GMCU	Queensland Country Bank
Australian Mutual Bank	Great Southern Bank	RACQ Bank
Australian Unity	Greater Bank	RAMS
Auswide Bank	Health Professionals Bank	Reduce Home Loans
Bank Australia	Heritage Bank	Regional Australia Bank
Bank First	homeloans.com.au	Resi
Bank of Melbourne	Homeloans360	Resimac
Bank of Queensland	Homestar	South West Slopes Credit Union
Bank of Sydney	HSBC	Southern Cross Credit Union
Bank of us	Hume Bank	St.George
BankSA	Illawarra Credit Union	Summerland Bank
BankVic	IMB Bank	Suncorp
BankWAW	ING	Teachers Mutual Bank
Bankwest	loans.com.au	The Capricornian
BCU Bank	Macquarie	The Mutual Bank
Bendigo Bank	Macquarie Credit Union	Tiimely
Beyond Bank	ME	ubank
Bluestone	Mortgage House	UniBank
Challenger	MOVE Bank	Unity Bank
Coastline Credit Union	MyState Bank	Unloan
Commonwealth Bank	NAB	Up
Community First Bank	Newcastle Permanent	Virgin Money
Credit Union SA	Northern Inland Credit Union	Well Money
Defence Bank	NRMA	Westpac
Easy Street	Orange Credit Union	Yard
Family First Bank	P&N Bank	Yellow Brick Road