The cheapest loan may not be the best or in your interest!

A question on the lips of First Home Buyers and Investors alike is "what are the cheapest home loan rates at the moment?"

As of July 2026, the most competitive owner-occupier principal & interest variable home loan rates in Australia start at around **5.69%–5.95% p.a.** BUT the very lowest rates often come with conditions such as a lower maximum LVR, larger loan size, or digital-only servicing with no support or broker access to provide lending advice.

Here's a snapshot of the market:

Lender Type	Typical Lowest Rates
Non-bank lenders	**5.70%–5.95%**
Regional banks	**5.85%–5.99%**
Big 4 banks	**5.99%–6.49%** (depending on discounts)

The best deals are available through discretionary pricing available through brokers. For borrowers with:

- 20%+ deposit,
- PAYG income or strong self-employed financials,
- good credit,
- and loan sizes above $750k,

For builders and self-employed borrowers:

The cheapest advertised rate isn't always the best choice. Construction professionals often benefit more from lenders that:

- understand construction income,
- accept retained profits in companies,
- lend on trust structures,
- finance multiple projects,
- provide construction progress payments efficiently,
- and have flexible policies for BAS and tax returns.

Some lenders known for being competitive in this space include:

- ANZ
- NAB
- Latrobe
- Bankwest
- Liberty
- Pepper Money
- Many other bank and non-bank lenders & private funders available via Chocolate Money!

The 'cheap rate' tag line most people should consider merely as 'click bait.' The reason is the dirt-cheap rates are usually nearly impossible to qualify for, have hooks and 'catches' which makes them highly risky or with hidden fees and charges.

If you're self employed or in perceived high-risk industries, the policy is as important as the rate; some lenders may give you a loan or even a cheap loan but want 'fixed & floating charges' over your business and its assets which can be highly restrictive for the business.

The recommended course of action to find the best loan for your situation, is to contact the team at Chocolate Money which has a legal duty to act in your Best Interest and to take all factors to achieve that outcome. Often, the cheapest loan may not be in your best interest overall and you may need a licensed and experienced finance broker to help you through the complications.

Contact the Chocolate Money on 1300 137 539 to get tailored and experienced advice for your situation; as well as the best loan for you!