

Offset Account

Advantages

- Every dollar held in the account reduces the interest on your home loan – savings are calculated daily.
- Fully transactional i.e. you can have your salary paid in & a debit card linked for bills & shopping.
- Tax advantages utilising an offset account for an investment property (or your home, that turns into an investment property).

Disadvantages

- Often comes with an ongoing fee, either monthly or annually.
- Can attract a higher interest rate on the home loan facility.
- Some lenders only allow one offset, restricting freedom to manage accounts efficiently.
- In most cases, not available on a fixed rate loan.