



## *ANZ Portfolio*

Simplify your home and investment lending under one roof.



## *Introducing ANZ Portfolio, the flexible and convenient way to structure your home and investment lending to help make the most of your equity.*

Equity is the difference between what your home is worth and how much you owe on it. For example, if your home is worth \$600,000 and you owe \$200,000, you have \$400,000 in equity. Over time as you reduce the amount you owe on your home, or as the value of your home grows, your equity increases. It's that simple.

### **Using equity to your advantage.**

Depending on your circumstances, you can use the equity in your property to create or build your investments. For example, you could invest in property, shares or managed funds. And if you're looking to renovate or consolidate personal debt, equity can be used for those purposes.

An ANZ dedicated mortgage expert can help you identify and unlock the equity in your home.



### **ANZ Portfolio – The simplified approach to loans and equity.**

ANZ Portfolio is a flexible credit limit secured against residential property. It enables you to put your equity to work by allowing convenient access to a range of loan and repayment options.

#### **Tailored accounts.**

You can establish as many as 12 sub-accounts in your ANZ Portfolio. Each sub-account can have its own purpose, with the ability to cancel existing sub-accounts and open new sub-accounts as your goals and priorities change.

#### **Cash flow efficiency.**

With ANZ Portfolio the primary sub-account will be an ANZ Equity Manager. ANZ Equity Manager offers efficient cash flow by combining the features of a line of credit with those of a transaction account. Funds paid directly into the ANZ Equity Manager work daily to reduce both the principal and interest owed, potentially saving thousands of dollars in interest.

#### **Build it as you go.**

ANZ Portfolio puts you in control. ANZ Portfolio holders can modify or add sub-accounts as their financial needs evolve. As long as the total of the sub-accounts is within the ANZ Portfolio credit limit, these changes can be made without going through further approval processes. That flexibility puts you in a great

position to make the most of investment opportunities as they arise, and gives you the ability to respond in your time, not the banks’.

#### **Flexible ownership structure.**

ANZ Portfolio enables you to pool the resources of multiple owners. Sub-accounts can be held in the names of one or more of the Portfolio holders. This feature allows you to structure the sub-accounts to best suit the needs of the various Portfolio holders and provides convenient record keeping to manage budgets and prepare tax returns.

#### **Greater control over repayments.**

ANZ Portfolio’s sub-account repayment options are designed to give greater flexibility over how finances are managed. Sub-account holders have the option to make principal and interest, interest only or interest in advance repayments.\* These options make it easy to adjust repayments to match different needs. And for greater control, we offer the choice of variable rate, fixed rate or line of credit products to suit your varying purposes.

#### **One-off approval and simplified fees.**

With ANZ Portfolio a one-off approval fee and a single annual credit fee apply.^ This means you can confidently mould your ANZ Portfolio as you choose to meet your changing needs without incurring on-going facility fees for your sub-accounts.

\*Not available on all sub-account types. See Portfolio Terms and Conditions for details.  
^Deferred Establishment Fees may apply.

# A working Portfolio.

Sue and Tim are at a comfortable stage of life. They have a house worth \$800,000 and have built enough equity in their home to consider purchasing an investment property.

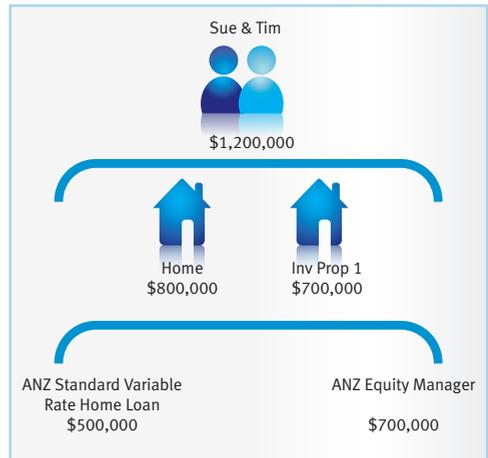
They meet with their advisor to discuss strategies including how to invest sooner, take advantage of tax planning and build wealth. After exploring a number of options, the couple decides to use the equity in their home to borrow and purchase an investment property.

Sue and Tim apply and are approved for an ANZ Portfolio with a limit of \$1,200,000 which is 80% of the value of their home as well as the newly purchased investment property. They choose to create the following separate sub-accounts:

- > ANZ Equity Manager (Interest Only repayments) to purchase their investment property for \$700,000

- > ANZ Standard Variable Rate Home Loan (Principal and Interest repayments) to fund their existing home loan for \$500,000

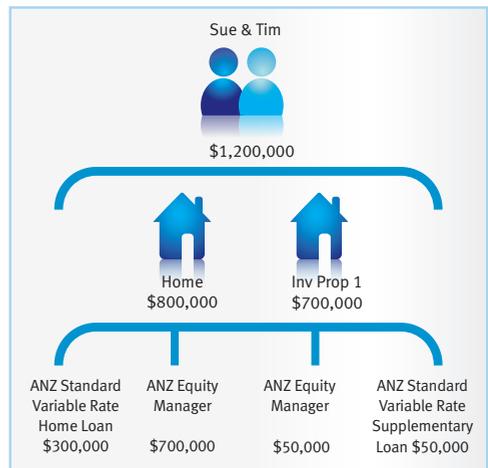
They decide to focus on repaying their existing home loan debt, because the interest on this is not tax-deductible.



Year 1

## Three years on.

It's been three years and Sue and Tim have reduced their home loan to \$300,000. As a result they are not using their full ANZ Portfolio limit, so they decide to purchase shares and request a separate sub-account with a line of credit for \$50,000. They also want to purchase a new car, so they request an ANZ Standard Variable Rate Supplementary Loan sub-account for \$50,000.

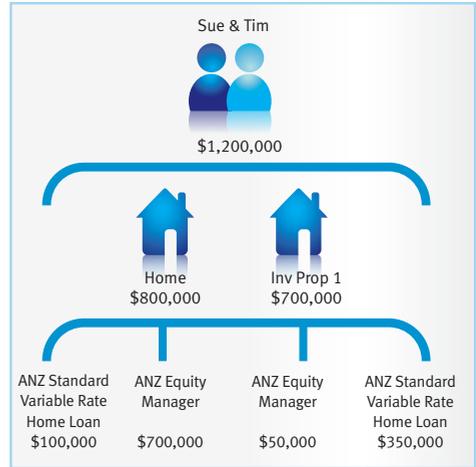


Year 3

### Five years on.

Fast-forward five years and the couple's home loan is down to \$100,000. They have also managed to pay off the car loan. Sue and Tim realise that it's a great time to invest in a second investment property. They find one for \$350,000 and because the amount needed is within their Portfolio limit, they simply request another sub-account.

**By using their additional assets as security, Sue and Tim could now apply to increase their ANZ Portfolio limit and pursue other investment opportunities.**



Year 5

### The big picture.

It's important to note that Sue and Tim have a long-term investment strategy to build wealth. By gearing to invest and structuring their sub-accounts accordingly, the couple could benefit from increased returns, tax advantages, and faster wealth accumulation. Their personal circumstances such as income, marginal tax rate, risk appetite and other factors have all been taken into consideration.

If you're intrigued by Sue and Tim's example and want to find out more about ANZ Portfolio, talk to one of ANZ's dedicated mortgage experts.

### Something to consider.

Gearing is not without risk and you should consider your own risk profile, your time frame and your individual circumstances before commencing any gearing strategy. Gearing increases your potential profits but it also increases your potential losses. You should speak to a qualified professional advisor to work through the relevant issues.



**By now you may have some questions about ANZ Portfolio. Here are the answers to some common queries.**

**How easy is it to manage?**

ANZ Portfolio is designed to be simple to manage. You stay in control of up to 12 sub-accounts with convenient access to funds and the ability to establish and maintain sub-accounts quickly and easily. Account management is simplified further with reduced paperwork and uncomplicated account statements.

**How much can I apply and be approved for?**

Your borrowing power is determined by looking at your income and financial commitments, your current savings and credit history and the upfront value of security that you provide.

**Can I adjust the sub-account limits?**

Within the ANZ Portfolio credit limit you can re-arrange the limits of the sub-accounts at any time.<sup>‡</sup> So if your financial situation changes or an investment opportunity arises, you can shape the sub-accounts to match.

\*Not available on all sub-account types. See Portfolio Terms and Conditions for details.

† Subject to the relevant sub-account terms and conditions set out in Portfolio Terms and Conditions.

^Deferred Establishment Fees may apply.

### What are the repayment options?

You may want to treat different sub-accounts in different ways. ANZ Portfolio gives sub-account holders the option to repay each account in the manner they choose, depending on the sub-account type. These options may include principal and interest, interest only or interest in advance payments.\*

### Will I receive statements?

With ANZ Portfolio you will receive regular statements for the sub-accounts as well as an ANZ Portfolio summary statement detailing the overall position. So whether you need a convenient record of your assets and equity for tax returns or simply want to make budgeting easier, ANZ can help.

### What are the ANZ Portfolio interest rates and fees like?

ANZ offers competitive rates that are easy to understand. There is a single annual fee to manage your ANZ Portfolio and a one-off approval fee.<sup>^</sup> This fee structure means you can set up and change the sub-accounts at no additional upfront establishment or approval costs, providing the total sub-account balance is within the ANZ Portfolio credit limit.

### Talk to us today, we've got time to listen.

For more information about ANZ Portfolio contact our dedicated mortgage experts on 1800 035 500, 8am to 11pm (AEST) seven days a week, drop into your local branch, visit [www.anz.com/homeloans](http://www.anz.com/homeloans) or we can come to you. And if you'd like to discuss your broader financial needs and wealth-building strategies, speak to an ANZ Financial Planner.

### Australia's most awarded home lender.

ANZ is Australia's most awarded home lender, having been named CANNEX *Money* magazine's Home Loan Lender of the Year in 2008, 2007, 2006 and 2005, and CANNEX *Personal Investor* magazine's Home Lender of the Year in 2005, 2004, 2002, 2001, 2000 and 1999. So why spend countless hours searching for the right home lender? Independent experts have done all the hard work for you.



\*\*CANNEX *Money* magazine's Home Loan Lender of the Year 2008, 2007, 2006, 2005. CANNEX *Personal Investor* magazine's Home Lender of the Year 2005, 2004, 2002, 2001, 2000 and 1999. Many of ANZ's home and residential investment loans were also awarded CANNEX *mortgage star ratings* in 2009. Ask us for details.

[www.anz.com](http://www.anz.com)

