



MEDIA RELEASE

Virgin Home Loans announces six month moratorium on rate rise

8 May 2006 – Virgin Home Loans is giving home owners more than six months of respite from the pain of rising interest rates, by pledging not to pass on last week's interest rate rise until 1 January 2007.

The offer is open to anyone who applies online for a standard variable Virgin Home Loan before 30 May 2006, as well as to existing customers and applicants¹.

Virgin Home Loans Director, Andrew Russell, said, 'We undercut all the major lenders when we launched in March with a low variable interest rate of 6.59% p.a.² Now we're even better value.

"The banks have wasted no time in passing on the pain of rising official interest rates, despite the fact that household budgets are under pressure from all sides thanks to rising petrol and grocery prices.

"By pledging not to pass on the RBA rate rise until 2007, we're giving home owners the breathing space to adjust their budgets to cope with rising mortgage repayments while still having enough set aside to spend on themselves and their families.

"The quicker customers apply and settle, the quicker they'll start to see the savings."

Virgin Home Loans have no application fee, no ongoing management fee and no valuation fee on the first property valuation for customers who settle within three months.

Unlike most other low rate loans, Virgin Home Loans also have a full range of flexible features including free redraw, split loan facility, 100% offset account, choice of fortnightly or monthly repayments and the ability to take repayment holidays.

To take advantage of the Virgin Home Loans rate rise moratorium, go direct to www.virginhomeloans.com.au

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About Virgin Money:

Virgin Money is the financial services arm of Sir Richard Branson's Virgin Group. We launched in Australia in May 2003 to do one thing – shake up the financial services industry. Today, we are well on our way to achieving that goal with award-winning products spanning credit cards, superannuation and home loans. Virgin Money products are simple, great value and transparent, and they're backed up by our world-famous Virgin customer service. There's no funny stuff, just money stuff.
<http://virginmoney.com.au>

¹ Customers must settle their loan by 30 June 2006 to be eligible.

² Comparison rate 6.61% p.a. Based on a \$150,000 loan over 25 years. Comparison rate schedule available at www.virginmoney.com.au. This comparison rate is true only for the example given and may not include all fees and charges. Different terms, fees or other loan amounts might result in a different comparison rate.