

APPLICATION FOR CAPITAL REDUCTION OF LOAN FUNDS

Heritage Bank



Account Details

Member number: _____ Existing L Account: _____ Date: _____

Full name of member/s: _____

Declaration

I/we understand that the following conditions apply to this capital reduction application:

- The processing of this application will reduce (by the amount requested) the amount that you have paid ahead on your loan and will result in the re-calculation of your ongoing repayments based on the new balance. By making this application, the amount you have paid in advance and which you seek to capitalise is no longer available for reborrowing;
- After the processing of the capital reduction you will be required to make one repayment at your current monthly repayment amount. Following that, Heritage will adjust the monthly repayment amount required based on the capitalised loan amount;
- Heritage will advise you in writing of the amount of your new monthly repayment and the date it is effective from;

The signatures of **All Borrowers** are required to process this application.

Name: _____ Name: _____

Signature: _____ Signature: _____

Name: _____ Name: _____

Signature: _____ Signature: _____

Application

I/we request that a Capital Reduction be processed on my/our Loan account. Choose from Option 1 or 2 below.

Option 1: Reduce my/our loan to a maximum debt of \$ _____

Option 2: Amount to be capitalised on my/our loan \$ _____

NB. Any loan repayments made prior to your monthly repayment due date are technically Payments in Advance and are therefore included in your Payments in Advance balance. Heritage recommends that you limit your Capital Reduction amount so as to retain one monthly repayment amount in advance so that you do not inadvertently miss your next monthly repayment. **Heritage will automatically adjust your request, if necessary, unless you advise us not to by ticking the box below.**

Do not retain one monthly repayment amount as Payments in Advance when processing this request.

Fees

If this application is accepted by Heritage a \$75 fee be payable by you and will be debited from the Home Loan account nominated above.

Returning this Application

By Mail to: Heritage Bank
Credit Operations
PO Box 190
Toowoomba QLD 4350

Phone enquiries: Your local branch (____) _____
Branch to complete
Contact Centre: 13 14 22
Credit Department: (07) 4694 9160

Staff Use Only

Signatures verified _____
Amount capitalised \$ _____
Loan fully funded _____

Processed _____
Fees charged _____
Letter issued _____

Processed by: _____
Processed date: _____