

MEDIA RELEASE

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Pioneer Reduces Interest Rates on Fixed Rate Loans

Home buyers are set to benefit from lower interest rates from Pioneer Permanent Building Society.

Effective Monday 25 October, Pioneer has reduced the interest rates on all its fixed rate loan products, with reductions of up to 0.30% pa. The Society offers fixed rate loans from 1 year to 5 years.

The Society's General Manager, Mr Allan Richardson, said the reduction demonstrated Pioneer's commitment to making home ownership more affordable.

"With the increase in house prices over the past 12 months, at Pioneer, we want to make it a bit easier for home buyers to achieve their dream of owning their own home," Mr Richardson said.

Mr Richardson added there were many different views on interest rates at the moment.

"A recent report by BIS Shrapnel, a leading and well respected forecaster, has stated that interest rates could increase by as much as 2.75% over the next two years, while other forecasters are predicting much more modest increases in interest rates," he said.

"This just goes to show even the experts are not sure what will happen. But if borrowers are concerned about the effect of interest rate volatility on their mortgage, they could view a fixed rate loan as insurance against rising interest rates."

Pioneer's fixed rate loans guarantee borrowers that their interest rate will not increase over that fixed term.

Mr Richardson said in addition to low interest rates, Pioneer's fixed rate loan products had added features which were not necessarily available at other financial institutions.

"The Society's experienced staff can explain the features of our products to new and existing customers and calculate mortgage repayments," he said.

Pioneer's loan products are available for owner occupiers, investors and for those looking to refinance.

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For further information:

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