

THE BANK'S DIRTY DOZEN

12 Things Your Bank Will Never Tell You About Your Equity

Quick truths every Australian homeowner deserves to know

Your bank earns from the equity you have built. That is exactly why these twelve points rarely come up in a branch meeting. Read them before your next conversation about your home loan.

Prepared by Daniel Bowler, Finance Specialist (Dip. FMBM) | MoneyQuest Lalor

THE LIST

Twelve quiet truths about your equity

- 1** The equity in your home is your asset, but until you use it, the bank is the one earning from it.
- 2** Your bank profits whether you get ahead or not. Their default setting is to keep you comfortable, not wealthy.
- 3** Usable equity is roughly 80% of your home's value minus your loan, not the full value you might imagine.
- 4** Paying only the minimum keeps you on the bank's timetable, often decades, not yours.
- 5** Interest on borrowing for investment purposes is generally tax-deductible. Interest on your home loan is not.
- 6** Tax you pay can, in the right structure, be redirected toward your own assets instead of simply leaving your pocket.

THE LIST (CONT.)

- 7 Depreciation on an investment property is a paper deduction. It can reduce taxable income without costing you cash.
- 8 Mixing personal and investment debt in one loan can quietly destroy deductibility. Structure is everything.
- 9 Offset and redraw are not the same thing, and the difference can affect your tax position.
- 10 A 'good' interest rate on a poorly structured loan can still cost you far more than you save.
- 11 Doing nothing is a decision too. Each year of inaction is equity left idle and tax left unredirected.
- 12 The homeowners who get ahead are rarely the highest earners. They are the ones who used what they already had.

**Want to know which of these apply to you?
Book your free Equity Wealth Review with Daniel.**

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