



# Product and Policy Guide

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## 1.0 Standard Variable Housing Loan

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The Standard Variable Housing Loan is available for the purchase or construction of a residential property including vacant land, the refinance of a housing or investment loan and debt consolidation.

### Features:

- ▶ Variable Interest Rate
- ▶ Maximum loan term is 30 years
- ▶ Maximum LVR is 95% for owner occupied property with Lenders Mortgage Insurance (LMI) cover and 80% without LMI. Maximum LVR for refinance and purchase of vacant land is 90% plus LMI.
- ▶ Multiple 100% Offset accounts available
- ▶ Additional repayments can be made at any time
- ▶ Lump sum payments can be made at any time
- ▶ Loan repayments can be made weekly, fortnightly or monthly
- ▶ Interest only repayments are available for investment loans over a maximum term of 5 years

### Fees and Charges

- ▶ A standard establishment fee and document fee apply
- ▶ A monthly loan maintenance fee will apply
- ▶ Mortgage Insurance premium if applicable
- ▶ Government charges

\* The 100% offset account is a savings transaction account that is available. The interest on this account is calculated on daily balances and offset monthly against the interest charged on the associated home loan. This account can be accessed by Visa debit card, Phone Service and Internet banking. Transaction and other fees may apply.

## **2.0 Fixed Rate Housing Loan**

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The Fixed Rate Housing Loan is available for the purchase or construction of a residential property including vacant land, the refinance of a housing or investment loan and debt consolidation.

### **Features:**

- ▶ Fixed Interest Rate for 1, 2 and 3 years
- ▶ Maximum loan term is 30 years
- ▶ Maximum LVR is 95% with Lenders Mortgage Insurance cover and 80% without LMI
- ▶ 100% Offset account is available with no additional cost\*
- ▶ Additional repayments to an amount of \$10,000 per annum
- ▶ Loan repayments can be made weekly, fortnightly or monthly
- ▶ Interest only repayments are available for investment loans over a maximum term of 5 years or on application

### **Fees and Charges**

- ▶ A standard establishment fee and document fee apply
- ▶ A monthly loan maintenance fee will apply
- ▶ Mortgage Insurance premium if applicable
- ▶ Government charges

\* The 100% offset account is a savings transaction account that is available. The interest on this account is calculated on daily balances and offset monthly against the interest charged on the associated home loan. This account can be accessed by Visa card, Phone Service and Internet banking. Transaction and other fees may apply.

### 3.0 Line of Credit

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The Line of Credit facility is available for the purchase of a residential property including vacant land, the refinance of a housing or investment loan and debt consolidation.

#### Features:

- ▶ Variable Interest Rate
- ▶ There is no maximum loan term and the facility is ongoing, although the facility is on demand
- ▶ Maximum LVR is 80% without Lenders Mortgage Insurance
- ▶ Lump sum payments can be made at any time with no cost
- ▶ There are no set loan repayments with this facility although interest only repayments will be required if the facility has been fully drawn

#### Fees and Charges

- ▶ A standard application fee and document fee apply
- ▶ An annual fee applies
- ▶ Transaction fees may apply
- ▶ Government charges

Access to the Line of Credit is via Visa Debit card, PhoneService and Internet banking.

This product is a regulated facility; therefore, it is only available in personal names rather than company names.

This facility is not available for construction

## 4.0 Ultimate Home Loan Package

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The Ultimate Home Loan Package is available for the purchase or construction of a residential property including vacant land, the refinance of a housing or investment loan and debt consolidation. This home loan package offers interest rate and fee discounts to applicants who qualify for this product. The single criterion for eligibility is a minimum loan amount of \$100,000. Following is the interest rate discount that applies\*:

Total borrowings	Interest rate discount
\$100,000 and over	0.70% p.a discount to the standard variable rate

### Features:

- ▶ Variable Interest Rate
- ▶ Maximum loan term is 30 years
- ▶ Maximum LVR is 95% with Lenders Mortgage Insurance cover and 80% without LMI
- ▶ Multiple 100% Offset account is available with no additional cost
- ▶ Additional repayments can be made at any time with no cost
- ▶ Lump sum payments can be made at any time with no cost
- ▶ Loan repayments can be made weekly, fortnightly or monthly
- ▶ The interest rate discount applicable is for the life of the loan
- ▶ No establishment fee or document fee is applicable
- ▶ No monthly loan maintenance fee is applicable
- ▶ 10% discount off the insurance premium for House and Contents Insurance for the first year

- ▶ No application fee is applicable for personal loans
- ▶ Interest only repayments are available for investment loans over a maximum term of 5 years or on application
- ▶ One package fee covers all loans within the package
- ▶ Nil Annual Fee on Visa Credit Card Facility
- ▶ Nil Annual Fee on Rewarder Card facility

### **Fees and Charges**

- ▶ An annual package fee of \$350 applies
- ▶ Valuation fee waived up to \$500
- ▶ Mortgage Insurance premium if applicable
- ▶ Government charges

\* The interest rate discount is not available for fixed rate loans.

\*\* \* The 100% offset account is a savings transaction account that is available. The interest on this account is calculated on daily balances and offset monthly against the interest charged on the associated home loan. This account can be accessed by Visa card, Phone Service and Internet banking. Transaction and other fees may apply.

This provides a summary of the product features and benefits and does not constitute the terms and conditions which apply to the product or service. Full details of all terms, conditions and fees will be contained in the Loan Agreement

## **5.0 Ultimate Home Loan Package - Line of Credit**

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The Ultimate Home Loan Package Line of Credit facility is available for the purchase of a residential property including vacant land, the refinance of a housing or investment loan and debt consolidation. This line of credit package offers interest rate and fee discounts to applicants who qualify for this product. The single criterion for eligibility is minimum loan amount of \$100,000. Following is the interest rate discount that applies\*:

Total borrowings	Interest rate discount
\$100,000 and over	0.50% p.a discount to the standard variable rate

### **Features:**

- ▶ Variable Interest Rate
- ▶ There is no maximum loan term and the facility is ongoing, although overdraft type facilities are on demand
- ▶ Maximum LVR is 80% without Lenders Mortgage Insurance
- ▶ Lump sum payments can be made at any time with no cost
- ▶ There are no set loan repayments with this facility although interest only repayments will be required if the facility has been drawn
- ▶ The interest rate discount applicable is for the life of the loan
- ▶ No establishment fee or document fee is applicable
- ▶ No monthly loan maintenance fee is applicable
- ▶ 10% discount off the insurance premium for House and Contents Insurance for the first year



- ▶ No application fee
- ▶ One package fee covers all loans within the package
- ▶ Nil Annual Fee on Visa Credit Card Facility
- ▶ Nil Annual Fee on Rewarder Card Facility

### **Fees and Charges**

- ▶ An annual package fee of \$350 applies
- ▶ Transaction fees may apply
- ▶ Government charges

Access to the Line of Credit is via Visa Debit Card, PhoneService and Internet Banking.

This product is a regulated facility; therefore, it is only available in personal names rather than company names.

This facility is not available for construction

This provides a summary of the product features and benefits and does not constitute the terms and conditions which apply to the product or service. Full details of all terms, conditions and fees will be contained in the Loan Agreement

## 6.0 Reno Loan

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Our Reno Loan is an easy and cost-effective way to finance improvements to a home, such as adding a deck, putting in a pool, giving the kitchen or bathroom a makeover or building a shed.

A Reno Loan can provide you with up to \$50,000 for those smaller home improvements without the need to extend your home loan.

### Features

- ▶ Low Interest rate
- ▶ Unsecured
- ▶ Loan terms up to 7 years
- ▶ Borrow from \$3,000 up to \$50,000
- ▶ Make extra repayments with no fees for paying out the loan early

### Fees and Charges

- ▶ Establishment Fee of \$120.00
- ▶ Monthly Account Keeping Fee \$10.00
- ▶ Redraw Fee \$8.00 (online redraw is free)

This provides a summary of the product features and benefits and does not constitute the terms and conditions which apply to the product or service. Full details of all terms, conditions and fees will be contained in the Loan Agreement

## 7.0 Secured Personal Loan

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### **New Car Loan**

New Car loan allows is to purchase any new, demo or used car up to 3 years old either privately or through a dealership. You can borrow up to 100% of the vehicles value plus insurance and on-road costs.

Our New Car Loan offers a lower variable interest rate that is secured

### **Features and Benefits**

- ▶ Variable rate loan
- ▶ No deposit required
- ▶ Loan terms up to 7 years
- ▶ Make extra payments with no fees for paying out the loan early
- ▶ Conditional preapproval available

### **Fees and Charges**

- ▶ Establishment Fee of \$120.00
- ▶ Goods Security Agreement fee \$55.00
- ▶ Monthly Account Keeping Fee \$5.00
- ▶ Redraw Fee \$8.00 (online redraw is free)

This provides a summary of the product features and benefits and does not constitute the terms and conditions which apply to the product or service. Full details of all terms, conditions and fees will be contained in the Loan Agreement

## **Secured Personal Loan**

Available for refinance of a car, to buy a used car, boat, caravan or motorcycle or any other worthwhile purpose. By providing security over the loan (such as a motor vehicle, boat, motorcycle or caravan), we're able to offer you a lower interest rate and are able to offer a higher borrowing amount than is otherwise available under an unsecured personal loan option.

### **Features and Benefits**

- ▶ Variable rate loan
- ▶ No deposit required
- ▶ Loan terms up to 7 years
- ▶ Make extra payments with no fees for paying out the loan early
- ▶ Conditional preapproval available

### **Fees and Charges**

- ▶ Establishment Fee of \$120.00
- ▶ Goods Security Agreement fee \$55.00
- ▶ Monthly Account Keeping Fee \$10.00
- ▶ Redraw Fee \$8.00 (online redraw is free)

This provides a summary of the product features and benefits and does not constitute the terms and conditions which apply to the product or service. Full details of all terms, conditions and fees will be contained in the Loan Agreement

## **Unsecured Personal Loan**

Available for a loan that doesn't require security to be provided, then our unsecured personal loan may be the right option.

Unsecured Personal Loan can be used for debt consolidation, holiday, buy furniture, shares or whitegoods. With Loans available between \$1,000 and \$15,000

### **Features and Benefits**

- ▶ Variable rate loan
- ▶ No deposit required
- ▶ Loan terms up to 5 years
- ▶ Borrow up to \$15,000
- ▶ Make extra payments with no fees for paying out the loan early
- ▶ Conditional preapproval available

### **Fees and Charges**

- ▶ Establishment Fee of \$120.00
- ▶ Monthly Account Keeping Fee \$10.00
- ▶ Redraw Fee \$8.00 (online redraw is free)

This provides a summary of the product features and benefits and does not constitute the terms and conditions which apply to the product or service. Full details of all terms, conditions and fees will be contained in the Loan Agreement

## **8.0 Family Guarantee / Family Assist Loan**

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The Family Assist Loan is available to Member whose Family (see definition below) are prepared to assist their children or kin in purchasing their First Principal Place of Residence (1st PPR) with <20% deposit and without the requirement to take out Lenders Mortgage Insurance (LMI).

**Family** – Recognised as parents, grandparents, step-parents and siblings

**Children or kin (hereafter referred as the primary Borrower)** – Includes natural, adopted or step-children/grandchildren and their spouse or defacto partner, who will become the owners of their first principal place of residence.

### **Eligibility**

Family must be willing to provide support security by way of an existing/new First Mortgage over residential property which will provide the minimum 20% equity for the Primary Borrower to purchase their 1<sup>st</sup> PPR without the requirement of Lenders Mortgage Insurance.

All mortgages held as security for a Family Assist Loan must be a First Registered Mortgage to Queensland Country.

### **Loan Set Up**

The overall borrowings are to be set up as two separate loans, as follows:

#### **Loan 1 – Assist Loan**

- Established jointly in the Family and the Primary Borrower 's names
- To be sufficient to complete the purchase (i.e. provide 20% deposit) for the primary Borrower's 1st PPR property
- Secured by the Family's residential property and the new 1st PPR being purchased in the primary Borrower's names.
- Maximum term 180 months

If the Family already has an UHLP and the Primary Borrower do not want to establish an UHLP, then the Assist Loan can be included in the Family UHLP, but the Principal Loan cannot be included.

- Can be included in the Primary Borrower 's UHLP
- Available interest rate options – variable, fixed or UHLP discounted
- Available interest types – principal and interest for the term of the Assist Loan, interest only is not available on the Assist Loan
- Mortgage Offset available
- No Redraw Facility permitted
- No Line of Credit permitted
- No Debt Consolidation permitted

## **Loan 2 – Principal Loan**

- Established in the Primary Borrower's names
- Secured solely against the Primary Borrower's new 1st PPR
- Maximum term 360 months
- Can be established as UHLP
- All fees excluding insurances are to be included in the Principal Loan
- Available interest rate options – variable, fixed or UHLP discounted
- Available interest types – principal and interest or interest only for first 5 years to enable targeted reduction of Assist Loan
- Mortgage Offset and Redraw Facility available
- No Line of Credit permitted
- No Debt Consolidation permitted at application or prior to Assist Loan being fully paid out.

## **Serviceability**

The Assist Loan applicant/s (i.e. the Family) will need to meet standard servicing requirements for the Assist Loan; demonstrating that they can service the full repayment of the Assist Loan.

The Principal Loan applicant/s (i.e. the primary borrower) will need to meet standard servicing requirements for both the Assist Loan and the Principal Loan; demonstrating that they can service the full repayments of

each loan even though the Assist Loan Applicants (i.e. the Family) will also have responsibility for the Assist Loan.

## **Fees**

- All fees, excluding insurances are to be included in the Principal Loan.
- Only one Establishment Fee and one Document Fee apply for both of these loans.
- All other standard fees and charges apply to both of these loans, including but not limited to valuation fees, titles search fees, DERM registration fees, etc.
- All applicable insurances are to be included in the loan to which they apply.



## 9.0 Lending Policy

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- 9.1** Savings – For a property purchase or construction, 5% of the purchase price is to be verified as genuine savings over the last three months.

This amount is not to include:

- ▶ Gifts or an inheritance
- ▶ Proposed savings plans or projected savings of any kind
- ▶ Sale of assets (other than real estate) for example, vehicle
- ▶ First Home Owners Grant (FHOG)
- ▶ The proceeds of a personal loan
- ▶ Builder's rebate/incentive

Genuine savings can include:

- ▶ Equity in residential property
- ▶ Term deposits held in the applicant's name for more than 3 months
- ▶ Shares purchased and held over the last 3 months
- ▶ Super savings plan

## 9.2 Employment – Acceptable employment Status:

- ▶ Permanent full-time or permanent part-time employment
- ▶ Minimum 6 months in current employment.
- ▶ Casual – minimum 6 months with current employer and in same industry for minimum 2 years
- ▶ Second job – minimum 12 months in current employment
- ▶ Self employed – at least 2 years trading in the current business and tax portals
- ▶ Contract employment – A minimum of 12 months employment in the same industry is required.

### 9.3 Serviceability

The Bank uses net monthly income and expenses when assessing an applicant's capacity to repay. We required Declared Living Costs to support all new applications with a minimum living costs and other expenses then predetermined and the Bank will then allow new repayments to commit up 80% of an applicants net monthly surplus.

### 9.4 Forms of acceptable income

- ▶ Salary and wages – 100% accepted if employment requirements met
- ▶ Casual income – 6 months continuous employment
- ▶ Overtime or Allowances – 80% may be used to assist in serviceability if payment is regular or is a condition of employment and 24 months proof of payment can be supplied. 100% of overtime for Essential Services
- ▶ Rental income – 80% of gross rental income is accepted on residential property
- ▶ Investment income (interest, dividends) – 100% of income as demonstrated in tax returns
- ▶ Social security benefits and Government Pension – 80% accepted where it is considered permanent for the next five years. These benefits cannot be relied upon solely (unemployment benefits/sickness benefits are not acceptable)
- ▶ Child support – is not an acceptable income source when relied upon solely. It can be used at 60% in conjunction with other income types; however, sufficient documents from CSA must be obtained along with proof of payment for a three month period.
- ▶ Self employed – the last 2 years business and personal tax returns are required along with the Personal Tax Assessments.

#### Allowable add-backs include

- Incomes/salaries of directors( where not already included in income calculations)
- Interest paid on business borrowings, on the basis that the full repayment is allowed for as a commitment
- Depreciation – if the application is not mortgage insured
- Non-recurring expenses

## 9.5 Applicant Residency

All applicants must be residents of Queensland when the application is made.

### Lending Fees

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Establishment fee	\$250
Document fee	\$250
Annual package fee	\$350
Rate Lock Fee	\$350
Monthly Loan Maintenance fee	\$5.00
Switch fee*	\$300
Settlement fee	TBA
Guarantee fee	\$150
Valuation fee	Market cost as advised by the valuer