

Platinum Mortgage Management
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FULL SPECIALIST LENDING

SMART SOLUTIONS, ENDLESS OPPORTUNITIES

LO PLUS

Effective from 21 October 2008

 RESIMAC

Product Overview

Features	FULL DOC	LO DOC PLUS
Eligibility Type	PAYG & Self Employed Applicants (clear & adverse credit considered)	Self Employed Applicants (clear & adverse credit considered)
Income Verification Requirements	<ul style="list-style-type: none"> • PAYG – Either most recent 2 payslips showing year to date earnings (computer generated) or Letter from Employer. This must also be supported by the latest available Group Certificate (computer generated) or Tax Assessment Notice. • Self Employed – Last 2 years full Business/ Company & Personal Taxation Returns. This must also be supported by the latest available Tax Assessment Notice. • 1 month bank statements – For LVR > 75% Personal (salary recipient) & Business (main transactional account) (if applicable) issued within the last 90 days. 	<ul style="list-style-type: none"> • Completed signed and dated Declaration of Financial Status. • ABN for GST purposes is to be registered with the Australian Taxation Office for a minimum period of 6 months (must be a Director / Shareholder for a minimum period of 6 months). • 1 month bank statements – both Business (main transactional account) & Personal issued within the last 90 days.
Summary		
Borrower Type	Individual, Company, Trusts (Individual borrowers must be permanent Australian residents/citizens)	
Loan Purpose	Any worthwhile Personal, Business or Investment purpose considered (Construction excluded)	
Loan Amount	No maximum on the number of loans per borrower – Maximum exposure per borrower is \$4,000,000 (subject to normal lending criteria)	
Loan Term	From 15 – 30 Years	
Repayment Options	<ul style="list-style-type: none"> • Principal & Interest • Interest Only (Category A Investment Security only, Max LVR 85%) • Fixed Interest Option (3 year terms only) • Weekly, Fortnightly, Monthly (monthly repayment required for the first repayment) • Regular repayments must be made via direct debit from a nominated account • Additional repayments are acceptable 	

LVR	Maximum Loan Amount	Maximum Loan Amount	Minimum Loan Amount
	Category A Location	Category B Location	
60%	\$2,000,000	\$2,000,000	\$50,000
65%	\$2,000,000	\$1,750,000	\$50,000
70%	\$1,750,000	\$1,500,000	\$50,000
75%	\$1,500,000	\$1,250,000	\$50,000
80%	\$1,250,000	\$1,000,000	\$50,000
85%	\$1,000,000	\$750,000	\$50,000
90%	\$750,000	–	\$100,000

Properties located in the Northern Territory are excluded.
 All loans greater than \$1,500,000 in Category B locations must be secured by a minimum of 2 securities.

Features	LO DOC
Eligibility Type	Self Employed Applicants (clear credit only)
Income Verification Requirements	<ul style="list-style-type: none"> Completed signed and dated Declaration of Financial Status ABN for GST purposes is to be registered with the Australian Taxation Office for a minimum period of 2 years (must be a Director / Shareholder for a minimum period of 2 years).
Summary	
Borrower Type	Individual, Company, Trusts (Individual borrowers must be permanent Australian residents/citizens)
Loan Purpose	Any worthwhile Personal, Business or Investment purpose considered (Construction excluded)
Loan Amount	No maximum on the number of loans per borrower – Maximum exposure per borrower is \$4,000,000 (subject to normal lending criteria)
Loan Term	From 15 – 30 Years
Repayment Options	<ul style="list-style-type: none"> Principal & Interest Interest Only (Investment Security only) Fixed Interest Option (3 year terms only) Weekly, Fortnightly, Monthly (monthly repayment required for the first repayment) Regular repayments can be made via direct debit from a nominated account Additional repayments are acceptable

	Category A Location	Category B Location
60%	\$1,500,000	–
65%	\$1,500,000	–
70%	\$1,250,000	–
75%	\$1,000,000	–
80%	\$750,000	–
85%	\$500,000	–
90%	–	–

Properties located in the Northern Territory are excluded.

Quick Quote is a quick verification of a scenario which checks and validates property locations, credit impairment, maximum loan amounts and serviceability.

RESiQ is a web based application system that allows Originators to submit Loan Applications and receive instantaneous Conditional Approvals and order Valuations.

Fees & Charges

Capitalisation of Fees

Lenders Risk Fee, Title Insurance Premium and Lenders Settlement Fee can be capitalised to the loan at settlement up to but not exceeding 90% LVR (85% LVR for Category B properties, Interest Only loans and Lo Doc loans).

Lenders Risk Fee (payable at settlement)

	≤ 65%	70%	75%	80%	85%	90%
FULL DOC	\$0	\$0	0.25%	0.25%	1.25%	1.75%
LO DOC PLUS	\$0	\$0	0.50%	0.50%	1.50%	2.00%
LO DOC	\$0	0.25%	0.75%	1.00%	1.75%	–

Title Insurance Premium (payable at settlement)

Loan / Policy Amount	Premium (Stamp Duty & GST inclusive) – Based on 1 security property
\$1 – \$600,000	\$110
\$600,001 – \$1,000,000	\$198
\$1,000,001 – \$2,000,000	\$286

For each additional property – \$55 (Stamp Duty & GST inclusive)

Other Establishment Fees

- **Lenders Application Fee:** Nil
- **Lenders Settlement Fee:** \$599
(Payable at settlement)
- **Valuation Fee:** Ordered and payable upfront by Originator / Borrower directly to the Panel Valuer.
(Can be reimbursed from loan proceeds if required)
- **Legal Fees:** Existing Panel Solicitor pricing. Cost will vary upon the individual circumstances.
(Payable at settlement from loan proceeds)

Deferred Establishment Fee

Payable when the loan is repaid in full and calculated on the total loan amount.

	Year 1	Year 2	Year 3
FULL / LO DOC PLUS	3.0%	3.0%	2.0%
LO DOC	2.5%	2.0%	1.5%

Discharge Fees (GST inclusive)

- **Fixed Rate Break Cost:** Unascertainable
- **Discharge Administration Fee:** \$500 per security
- **Discharge Preparation and Attendance Fee:** \$275 per attendance
- **Variation Fee:** \$110

Maximum LVR

Maximum LVR based on Security Category Location

Security Category Location	Full / Lo Doc PLUS	Lo Doc
Category A	90%	85%
Category B	85%	N/A

Maximum LVR based on Security Type

Security Type	Full / Lo Doc PLUS	Lo Doc
Owner Occupied	90%	85%
Investment	90%	85%
Residential units in tower blocks up to 15 storeys	90%	85%

Maximum LVR based on Employment Period

Employment Period	Full Doc	Full Doc
Verified Income	PAYG	Self Employed
Continuous PAYG \geq 12 months	90%	N/A
Continuous PAYG < 12 months	85%	N/A
2 years Financials for Self Employed	N/A	90%

Employment Period	Lo Doc PLUS	Lo Doc
Declared Income	Self Employed	Self Employed
Current Self Employed \geq 12 months	90%	N/A
Current Self Employed < 12 months	85%	N/A
Current Self Employed \geq 24 months	90%	85%

Maximum LVR based on Loan Purpose (Specific cases only)

Specific Purpose	Full / Lo Doc PLUS	Lo Doc
Total Cash out > 40% of the Total Loan Amount	85%	85%
When refinancing another Traditional Non-Conforming Lender, (Restricted to Level 1 or Level 2 credit impairment).	80%	N/A
Private Funders/Solicitors Loans (Restricted to Level 1 credit impairment, borrower must demonstrate monthly repayments - capitalisation of interest is not acceptable).	80%	N/A

Serviceability

Acceptable PAYG Income

Employment Type	Minimum Duration (months)	Allowance (%)
Bonuses – paid at least quarterly	6	100
Car Allowance	Current	50
Casual	6	100
Contract	24	100
Commission	6	100
Dividends	12	100
Family Allowance	Current	100
Fully maintained company car	Current	Up to \$5K
Full-time employment	3	100
Interest received – bank/financial institution	12	100
Maintenance payments (14yrs and under)	3	100
Overtime	3	100
Permanent Part-time	3	100
Permanent Pensions	Current	100
Rental income	Current	80
Second Job	3	100
Shift Allowances & Penalties	3	100

Serviceability Ratio Test

A minimum Net Surplus Ratio of 1.10 times or greater is required.

The “stressed assessment rate” is 1.25% pa above the actual borrower rate.

Existing loans (not being refinanced) are assessed at current rates and

Annual Living Expenses

Single Applicant	Couple	1 Dependent
\$13,308	\$19,348	\$4,702

NB: For every additional Dependent, add \$4,702.

Product Parameters

Products

- Full Doc – PAYG & Self Employed Applicants (clear & adverse credit considered)
- Lo Doc PLUS – Self Employed Applicants (clear & adverse credit considered)
- Lo Doc – Self Employed Applicants (clear credit only)

Borrowers

- Natural person/s (either PAYG, sole trader or partnership) who are Australian residents / citizens over 18 years of age.
- Proprietary companies limited by shares (registered with the Australian Securities & Investment Commission) and Trusts (Unit or Discretionary only) - restricted to a single entity Applicant (i.e. no multiple company or trust applications)
- Maximum number of shareholder directors per borrowing company or Trustee Company is 4, must hold at least 25% of issued capital (equity).

Level of Credit Impairment

To calculate Credit Impairment refer to Specialist Lending's *Quick Quote* or *RESIQ* for further details at www.resimac.com.au, select the Specialist Lending icon and follow the prompts in the secure area.

Procedure and Documentation

Refer RESIMAC Limited's Specialist Lending Checklist at www.resimac.com.au, select the Specialist Lending icon and follow the prompts in the secure area.

- Copies of all supporting documentation must be provided.

Acceptable Security Properties

- Residential or rural residential properties up to 40 acres.
- Residential properties greater than 50 sqm (exclusive of balconies).
- Residential units in tower blocks up to 15 storeys high.
- Vacant residential land (encompassing kerbed and sealed road access and water, sewerage and power connections on the property or running immediately up to the property boundary allowing connection at minimal cost) in Category A type localities only. Permitted provided it forms collateral security only to a maximum 50% of total gross security value. The maximum LVR to be applied is 80% for residential allotments.

Acceptable Property Locations

To view RESIMAC Limited's Specialist Lending Acceptable Property Locations go to www.resimac.com.au, select the Specialist Lending icon and follow the prompts in the secure area.

Valuation Report

An independent valuation from an approved RESIMAC Limited Specialist Lending panel valuer must be obtained in respect of each security property. The valuation must be:

- Addressed to RESIMAC Limited.
- Valuation report is to be extended for use by the Security Trustee: Permanent Custodians Limited.
- No greater than 90 days old at the date of loan settlement.
- Valuation reports remain the property of RESIMAC Limited.

Comply with RESIMAC Limited's Specialist Lending valuation criteria (refer valuation request form), go to www.resimac.com.au, select the Specialist Lending icon and follow the prompts in the secure area.

Audit Valuations

The following circumstances require an Audit Valuation, in addition to random selection, at RESIMAC Limited's expense:

- Where the loan amount and security value (for any particular security) are \$750,000 or greater and the LVR exceeds 80%.
- Property value is ≥ 2 times the median value for the suburb.
- New Unit developments – lack of "arms length" comparable sales within and outside the subject complex (require a minimum of 2 outside the complex).

Unacceptable Security Properties

- All properties located in the Northern Territory.
- Income producing properties (other than residential investment property).
- Rural residential properties greater than 40 acres.
- Rural zoned property or Commercial or mixed use properties having residential units above commercial shops.
- Leasehold properties (excluding Crown Land in the ACT).
- Residential properties less than 50 sqm (exclusive of balconies and parking).
- Flood prone areas / flood affected properties (less than 1:100 year flood is unacceptable).
- Areas affected by high tension powerlines or motorways.
- Properties adversely affected by mine subsidence or land slip.
- Contaminated or potentially contaminated sites.
- Unique or specialised properties.
- Properties with restrictive zoning or usage (i.e. National Heritage listing).
- Security located on an island without a sealed road connection to the mainland.
- Construction, development or partially completed dwellings.
- Residential improvement value is less than 10% of the value of the property.
- More than 2 residential dwellings on a single title.
- Ownership of more than 4 or 25% of residential units in any single development, whichever is the lower.
- Total exposure of more than 4 or 25% to RESIMAC Ltd of residential units in any single development, whichever is the lower.
- Residential units in tower blocks greater than 15 storeys high.
- Exhibition homes.
- Retirement villages.
- Studio and Serviced apartments.
- Owner builder, relocatable or kit homes, time share.
- Properties in poor condition.
- Properties with less than 3 comparable sales.
- Properties with an extended selling period.

Guarantees

Joint and several guarantees are required from:-

- All third party security providers.
- All directors (particularly shareholder directors) of the borrowing entity (including trustee company).
- Any corporate shareholder of the borrowing entity.

Unacceptable Sources of Equity

- Favourable purchase involving some form of government subsidy / equity scheme.
- Purchases involving vendor finance (apart from those listed above) due to the high risk of being exposed to inflated purchase price schemes.
- Cash backs included into the sale price by property developers, or any form of vendor assisted deposit from a developer or builder.
- Purchaser is renting the property from the Vendor, with the understanding that if the settlement is met by a certain date, the moneys paid in rent will be refunded to the purchaser.
- Bartercard / Trade Dollars

Credit Reports

- Credit reports cannot be accessed without the Applicant(s) written consent.
- Individuals must sign and date a RESIMAC Limited Privacy Statement & Acknowledgement form.
- A credit report must be obtained for:
 - Individual Applicant(s) – Consumer and Commercial enquiries;
 - Applicable Guarantors.
- Credit reports must be current at time of application and be no older than 21 days at submission.
- In Australia, the only approved credit reference agency is Veda Advantage.

Redraw Conditions

- Internet and telephone redraws are free. Minimum redraw amount \$250, maximum is \$20,000 per day per portion.
- Manual redraws attract a \$26 fee. Minimum redraw amount is \$100, maximum is the balance available.

Split and Switch Loans

- There is a maximum of 6 split loan accounts. The minimum amount of a split loan account is \$5,000 for variable rate loans and \$20,000 for fixed rate loans.

Additional Repayments

- Free additional payment facility on variable rate product (minimum \$250). No Deferred Establishment Fee applies for additional repayments provided loan is not fully discharged within the first 3 years.
- Break costs apply to all fixed rate loans.

Further Advances

Available subject to normal lending criteria. A minimum of \$20,000 will apply. For further information go to www.resimac.com.au, select the Specialist Lending icon and refer to Further Advance Fact Sheet located under 'Product Guide'.