



# Credit policy summary

Category	Subcategory	Policy Guidelines
Applications	Loan submission	<p><b>In all cases loans MUST be submitted through Apply Online and supporting documentation uploaded to application prior to submitting application to Qudos Bank.</b></p> <p><b>Post Submission - All additional documentation MUST submitted via AOL (ApplyOnline).</b></p> <p><b>Brokers can be both broker and applicant for their own personal Owner Occupied and Investment loans.</b></p>
Defaults		<p><b>Restriction:</b></p> <p><b>Unpaid Defaults</b> A loan cannot be approved if applicant has unpaid defaults.</p> <p><b>Paid Defaults</b> In all cases, a written explanation of how the default occurred is required from the borrower/s.</p> <p>Applicant should explain the history of the default and provide evidence that default was paid in full. Deal is unlikely to be approved if the default was for outstanding land rates or a credit contract (e.g. credit card, line of credit, home loan) unless there were special circumstances. If explanation is acceptable and other parts of the deal are very strong (e.g., good assets and saving pattern, low LVR application will be considered.</p> <p><b>LMI applications</b></p> <ul style="list-style-type: none"> <li>&gt; Unpaid defaults will not be accepted under any circumstances</li> <li>&gt; Maximum two paid defaults, from non-financial institutions, up to a total of \$1,000 can be considered</li> </ul>
Genuine Savings		<p><b>Restriction:</b></p> <p><b>Borrower must demonstrate 5% genuine savings where LVR is &gt;90% for Owner Occupied purchases only, Savings must be held in the borrower's name and can include any combination of the following sources:</b></p> <ul style="list-style-type: none"> <li>&gt; Funds held or accumulated in savings accounts for three months or more</li> <li>&gt; First Home Saver Account or First Home Super Saver Scheme (initiative by the Australian Government)</li> <li>&gt; Equity in, or funds from, sale of residential property only</li> <li>&gt; Term deposits held for three months or more</li> <li>&gt; Shares held for no less than the last three months</li> <li>&gt; Accelerated loan repayments – where savings have been sacrificed by making accelerated loan repayments over the last three months, the amount of the excess repayments, can be accepted in lieu of genuine savings</li> </ul> <p><b>Where genuine savings have not been held for three months, evidence of satisfactory rental payment (via a Rental Ledger from a licensed Real Estate agency) history can be used to mitigate the genuine savings requirement.</b></p> <p><b>The following additional underwriting requirements apply:</b></p> <ul style="list-style-type: none"> <li>&gt; Funds cannot be borrowed (i.e., personal loans, credit cards or loans from family members)</li> <li>&gt; Lump sum payments such as bonuses, tax refunds and proceeds from sale of assets, can be accepted</li> </ul>

<p><b>Genuine Savings — continued</b></p>		<p>› <b>Satisfactory rental payment history to be meet the following requirements:</b></p> <ol style="list-style-type: none"> <li>1. History demonstrated over a minimum of 6 months</li> <li>2. History should confirm rental payments are up to date, with no missed or late (greater than 7 days) rental payments evidenced</li> </ol> <p><b>Non-refundable gift:</b> A Statutory Declaration is required for funds being given to the applicant, the gift letter must state the relationship between the donor and the recipient and that the gift is non-repayable.</p>
<p><b>Non-Genuine Savings</b></p>	<p>Accepted</p>	<p><b>For applications where LVR is &lt;90% - Applicant is not required to demonstrate Genuine savings.</b></p> <p>Non-Genuine Savings for applications with LVR over 90% - can be considered for Owner Occupied purchases only under 'Home Buyer Plus' LMI policy.</p> <p>Owner Occupied First Home buyer: clean rental history for 6 months from licensed Real Estate agency can be substituted as genuine savings requirement.</p>
<p><b>Income Policy</b></p>	<p>Car Allowance</p>	<p><b>Restrictions:</b></p> <p>For PAYG employees, 100% of vehicle allowance added to gross taxable income can be used in serviceability assessment.</p> <p>For a full maintained company vehicle which is available for unrestricted private use up to \$5000 can be added to net income.</p> <p>Vehicle add-backs are only permitted for persons who have fully maintained company vehicles or novated leases where the net salary has been reduced by the full finance and running costs of the vehicle.</p> <p><b>Living Expense Note:</b></p> <p>Qudos Bank Minimum Living Allowance (MLA) allows for the running costs of 1 vehicle only. The MLA must be tested against the Declared Living Expenses (DLE). Where the MLA is higher than DLE, it is permissible to add back the net difference between the two figures up to a maximum of \$5,000 net pa. If there are car expenses declared by applicants this may be an indicator a vehicle is owned by applicants, therefore the add back will NOT apply.</p> <p><b>Verifications:</b> Verified using either:</p> <ul style="list-style-type: none"> <li>› Most recent payslip or,</li> <li>› Employment letter</li> </ul>
<p><b>Income Policy</b></p>	<p>Casual income</p>	<p><b>Restriction:</b></p> <p>Must demonstrate a minimum 12 months in current role however if term is &lt;12 months refer to BDM for further consideration.</p> <p><b>Verifications:</b></p> <ul style="list-style-type: none"> <li>› Three most recent payslips (payslips cannot be older than one month from date of application) together with transaction account showing salary being credited AND;</li> <li>› Recent Transaction account statement covering past 3 months showing salary being credited and to confirm account conduct</li> <li>› PAYG Summary for the most recent financial year (Only if payslips don't show YTD income, or if YTD is less than 2 months)</li> </ul>
<p><b>Income Policy</b></p>	<p>Child maintenance payments</p>	<p><b>Restrictions:</b></p> <p>Must be registered with the Child Support Agency, evidenced over 6 months and permanent for the next 5 years.</p> <p>100% of net amount used for servicing.</p> <p><b>Verifications:</b> Both of the following are required:</p> <ul style="list-style-type: none"> <li>› Child Support Agency assessment notice; <b>AND</b></li> <li>› 6 months statements confirming regular payments</li> </ul>

Income Policy	Contractors	<p><b>Restrictions:</b></p> <p>If the contract is in line with usual industry practice, it would be considered based on previous 3-year employment history showing experience.</p> <p>100% used for servicing.</p> <p><b>Verifications:</b></p> <ul style="list-style-type: none"> <li>&gt; Three most recent payslips (payslips cannot be older than one month from date of application) together with transaction account showing salary being credited <b>AND</b>;</li> <li>&gt; Recent Transaction account statement covering past 3 months showing salary being credited and to confirm account conduct</li> <li>&gt; PAYG Summary for the most recent financial year (<i>Only if payslips don't show YTD income, or if YTD is less than 2 months</i>)</li> </ul>
Income Policy	Full time income	<p><b>Restriction:</b></p> <p>PAYG minimum period in current role 6 months – Unless can demonstrate prior 12 months in same industry.</p> <p>Commission income: 100% of commission income can be accepted as long as it is consistent. Please refer to your BDM prior to lodging.</p> <p>100% used for servicing.</p> <p><b>Verifications:</b></p> <ul style="list-style-type: none"> <li>&gt; Three most recent payslips (payslips cannot be older than one month from date of application) together with transaction account showing salary being credited <b>AND</b>;</li> <li>&gt; Recent Transaction account statement covering past 3 months showing salary being credited and to confirm account conduct</li> <li>&gt; PAYG Summary for the most recent financial year (<i>Only if payslips don't show YTD income, or if YTD is less than 2 months</i>)</li> </ul>
Income Policy	Bonus income	<p>Bonus income can only be considered if you are paid quarterly and received for the previous 2 years.</p> <p>For applicants in <b>Executive &amp; Management</b> positions, they can be considered if received for the past 2 years (with the lesser of the 2 used for servicing), the applicant must show strong financial acumen and be in a sound financial position.</p> <p>If additional clarification is required re the use of Bonus income, please contact your State Based BDM.</p> <p><b>Bonus Income to be scaled to 80%.</b></p>
Income Policy	Government family benefits	<p><b>Restrictions:</b></p> <p>Only the following Centrelink Family Allowance types are acceptable, age limit for using 100% of income is &lt;12 years of age:</p> <ul style="list-style-type: none"> <li>&gt; Family Tax Benefit Part A</li> <li>&gt; Family Tax Benefit Part B</li> </ul> <p><b>Verifications:</b></p> <ul style="list-style-type: none"> <li>&gt; A letter from the relevant government department confirming the benefit and payment frequency</li> </ul>
Income Policy	Employment probation	<p><b>Restriction:</b></p> <p>Is accepted as long as previous employment history of at least 12 months in same industry/roles.</p>

Income Policy	Investment	<p><b>Restrictions:</b></p> <p>A regular income stream that is derived from bank interest, dividends, or any other profit made from an investment vehicle of any kind. Must be evidenced over two years.</p> <p>Serviceability calculator will assess at 80% (net of tax) over 2 years.</p> <p><b>Verifications:</b></p> <ul style="list-style-type: none"> <li>&gt; Last two years individual tax returns <b>AND</b>;</li> <li>&gt; Corresponding ATO Notice of Assessment</li> </ul>
Income Policy	Maternity leave income	<p><b>Restrictions:</b></p> <p>Maternity leave income can be taken into consideration for servicing only if payments are received up until return-to-work date.</p> <p><b>Note:</b> In the situation where settlement will occur near the same time anticipated return to work date and not receiving any income at time of application, an exception to credit will need to be needed mitigating their ability to service the new loan using available savings/ redraw etc. In this case return to work income will be used for servicing.</p> <p><b>Verifications:</b></p> <p>Any application where the Qudos Bank is seeking consideration to use income for a person currently on parental/maternity leave or about to commence parental/maternity leave, the following supporting evidence must be provided:</p> <ul style="list-style-type: none"> <li>» Letter from the employer is required detailing the following: <ul style="list-style-type: none"> <li>&gt; The return-to-work date</li> <li>&gt; Conditions under which the applicant will return i.e., Full time or Part time</li> <li>&gt; Gross and Net income the applicant will be receiving when they return to work</li> <li>&gt; Be on employer's letterhead which includes A.B.N and is signed by the employer</li> <li>&gt; Employee's name is consistent with loan application</li> </ul> </li> </ul> <p>Evidence of available funds that will be used to assist financial position up until employment commences, i.e. bank statement.</p>
Income Policy	Overtime income	<p><b>Restrictions:</b></p> <p>100% can be used as long as consistent and received for period of 12 months. Please refer to your BDM for further information.</p> <p><b>Verifications:</b></p> <ul style="list-style-type: none"> <li>&gt; Three most recent payslips (payslips cannot be older than one month from date of application), <b>and</b>;</li> <li>&gt; PAYG Summary for the most recent financial year (If payslips don't show year to date income, or if year to date is less than 2 months)</li> </ul>
Income Policy	Part time income	<p><b>Restriction:</b></p> <p>PAYG minimum period in current role 6 months.</p> <p>100% used for servicing.</p> <p><b>Verifications:</b></p> <ul style="list-style-type: none"> <li>&gt; Three most recent payslips (payslips cannot be older than one month from date of application) together with transaction account showing salary being credited <b>AND</b>;</li> <li>&gt; Recent Transaction account statement covering past 3 months showing salary being credited and to confirm account conduct</li> <li>&gt; PAYG Summary for the most recent financial year (<i>Only if payslips don't show YTD income, or if YTD is less than 2 months</i>)</li> </ul>

Income Policy	Pension and Centrelink Income	<p><b>Restrictions:</b></p> <p>Any Disability Pension or any Pension that is permanent <u>and not subject to review</u> is accepted 100%.</p> <p>Self-Funded retirees: evidence of income/dividends from their retirement/financial plan: 100% of net income accepted.</p> <p><b>Verifications:</b></p> <p>A letter from the relevant government department confirming the benefit and payment frequency <b>AND</b> Account online transaction summary with Bank logo and account holders name or bank account statements over a 6-month period.</p>
Income Policy	Rental Security Income	<p><b>Restrictions:</b></p> <p>80% of total gross considered for servicing and supporting evidence required are:</p> <ul style="list-style-type: none"> <li>&gt; Recent rental statements from real estate agent <b>or</b> rental estimate in valuation</li> </ul>
Self Employed	Minimum Requirements	<p><b>Self Employed:</b></p> <ul style="list-style-type: none"> <li>&gt; Must be in business a minimum of 2 years</li> <li>&gt; 100% of net income from latest financial year or 120% of previous financial year, whichever is the lower</li> <li>&gt; Depreciation can be added back to after tax income but cannot exceed 20% of the business net profit</li> </ul> <p><b>Note:</b> If applicant has been self employed less than 2 years, but have at least 2 years continuous employment in the same occupation/industry, then the bank can consider their situation, on an exception basis.</p> <p>For all new applications that are submitted from 1st April where applicant/s are self employed we will now require most recent tax returns together with financial statements for all related parties. In addition to this we will also require the most recent quarter BAS. Qudos Bank's standard self employed policy requires 2 years full financials.</p>
Self Employed	Documents Required	<p>Two full years financials including tax returns and NOA's.</p> <ul style="list-style-type: none"> <li>&gt; Most recent quarters BAS</li> </ul> <p>Trust distributions can be considered if sole directors / shareholder.</p>
Income Policy	MLA / Living Expenses	<p><b>Single -V- Joint Incomes:</b></p> <p>If credit facility is to be in one name but member has declared joint liabilities, 50% of liability repayments can be used for servicing calculations where it has been verified the other party has capacity to repay the other 50%. If this cannot be verified, 100% of the loan repayment is to be used.</p> <p><b>Debt Service Ratio (DSR) and Minimum Living Allowance (MLA):</b></p> <p>Serviceability test rate is 3.00% above actual rate or a floor rate of 5.25% pa. If LVR above 80% LMI policy applies. The NDI ratio must be <math>\geq 1.01</math> for home loans providing all loans are fully buffered.</p> <p><b>Minimum Living Allowance:</b></p> <ul style="list-style-type: none"> <li>&gt; This is scaled according to income, single or joint and up to 3 dependents (<b>refer to attached MLA table</b>). The higher of the MLA or declared living expenses is to be used</li> <li>&gt; PAYG: 3 most recent payslips, last 3 months salary credits, last PAYG payment summary (if required), last tax return (if required),</li> <li>&gt; Regular overtime/allowances 100% (net)</li> <li>&gt; Rental Income: Rent notices/statement, rent estimate in valuation reports: 80% of rental used - Commercial rent taken at 60%. Commercial Leases to have minimum of 18 months remaining term</li> <li>&gt; Maintenance/Family support payments: 100% of net amount (must be registered with CSA, evidenced over 6 months, considered permanent for 5 years)</li> <li>&gt; Share Income: Dividend notices, share listing: 80% of dividend (net of tax)</li> <li>&gt; Self-Funded retirees: evidence of income/dividends from their retirement/financial plan: 100% of net income</li> </ul>

<b>Income Policy</b>	MLA / Living Expenses — continued	<ul style="list-style-type: none"> <li>&gt; Self Employed: must be in business a minimum of 2 years supported tax returns for last 2 years. The lower of 100% of the most recent taxable income or 120% of the previous year's income is used for serviceability.</li> <li>&gt; Company liabilities: Qudos may consider excluding company liabilities from servicing where they can be evidenced via business financials that they are fully expensed</li> <li>&gt; Trust distributions – Must be sole directors / shareholders to consider</li> <li>&gt; Non-Pension government payments-welfare/family allowance payments: 0%</li> <li>&gt; Income does not need to be verified where an existing borrower is switching to a new product, there are no additional funds, there are no arrears and a clear repayment history for 6 months</li> </ul>				
<b>Income Policy</b>	Workers Compensation / Workcover	<b>Restriction:</b> Is considered only if evidence can be provided demonstrating income is <u>permanent</u> and ongoing. 100% can be used for servicing.				
<b>Liabilities</b>	Treatment of ATO Tax Debts	Not ideal and cannot consolidate as part of refinance. Must be declared as an expense in applicant/s Asset and Liability position please refer to BDM for further consideration.				
<b>Liabilities</b>	Common Debt Reducer	<b>Restriction:</b> If facility is to be in one name but member has declared joint liabilities, 50% of liability repayments can be used for servicing calculations where it has been verified the other party has capacity to repay the other 50%. If this cannot be verified, 100% of the loan repayment is to be used.  Evidence of other parties income should be a recent payslip or if Self Employed most recent tax return. Please note where the other party is <u>not</u> a spouse of applicant then broker should outline in their submission notes a general overview of other parties current liabilities. For DTI purposes only (ie NOT servicing) the full liability for the joint debt is considered (refer to your BDM if more clarification required).				
<b>Liabilities</b>	Outgoing / Living expenses	<b>Restrictions:</b> Expenses are treated as per the following: <ul style="list-style-type: none"> <li>&gt; All home lending (including proposed home loan) to be assessed with a 3.00% buffer or 5.25% floor rate, whichever is the greater over loan term</li> <li>&gt; If Interest Only the servicing term can be over the remaining total loan term</li> <li>&gt; For other bank home loan if term is unknown, repayment calculations to be 25 years for assessment purposes</li> <li>&gt; Other Bank Credit Cards or store accounts: based on the dollar limit over a term of 3 years @ 22% pa. This calculation is factored into the servicing calculator – Qudos Bank Credit Cards assessed at actual rate</li> <li>&gt; Overdrafts / Margin Loans: 3% of limit</li> <li>&gt; Other loan repayments, child support payments, rents, HELP, private school fees, childcare, 2nd car running costs: 100%</li> </ul> Notional board payment of \$150 per week is to be included as an expense if no board is declared or amount is less than \$150 per week.				
<b>Lender Requirements</b>	Serviceability	<table border="1" data-bbox="539 1626 839 1697"> <thead> <tr> <th>Floor Rate</th> <th>Buffer Rate</th> </tr> </thead> <tbody> <tr> <td>5.25%</td> <td>3.00%</td> </tr> </tbody> </table> <p>Qudos Servicing Calculator Must show a NDI of 1.01 or higher for Qudos to consider.</p> <p><b>DTI Maximums:</b>  <b>Owner Occupied Lending</b>          Maximum allowable DTI must be less than 6x for mortgage insured loans.          Maximum allowable DTI must be less than 7x for non mortgage insured loans.</p> <p><b>Investment Lending</b>          Maximum allowable DTI must be less than 6x for mortgage insured loans.          Maximum allowable DTI must be less than 7x for non mortgage insured loans.</p>	Floor Rate	Buffer Rate	5.25%	3.00%
Floor Rate	Buffer Rate					
5.25%	3.00%					
<b>Loan Policy</b>	Minimum and Maximum Loan Amount	Minimum loan amount is \$150K and the maximum is \$5mil – Loan amounts above \$5M will be considered on a case by case and the LVR maybe restricted. Refer to BDM.				

<p><b>Loan Policy</b></p>	<p>Nonresident lending</p> <p>Suspended until further notice</p>	<p>Non-Resident Lending Qudos Bank will consider loan applications for Ex-Pat Australian <b>Citizens</b> who are non-residents of Australia for Tax Purposes to purchase Australian residential property.</p> <p>To be eligible to borrow a non-resident must be a tax resident of an acceptable country</p> <p>An acceptable country is defined as a country that Australia shares a DTA (Double Taxation Agreement) with, or is one of the following countries:- Brunei, Qatar, United Arab Emirates, Dubai, Oman, Bahrain, Hong Kong, Saudi Arabia and Macau* (*only Macau-sourced income may be used to support Loan).</p> <p><b>Income Scaling</b> <u>The below table sets out the income scaling requirements for all new non resident applications:</u></p> <ul style="list-style-type: none"> <li>&gt; United States Dollar (USD) 100%</li> <li>&gt; Great Britain Pound (GPB) 100%</li> <li>&gt; Euro (EUR) 100%</li> <li>&gt; Singapore Dollar (SGD) 100%</li> <li>&gt; United Arab Emirates Dirham (AED) 100%</li> <li>&gt; Japanese Yen (JPY) 100%</li> <li>&gt; New Zealand Dollar (NZD) 100%</li> <li>&gt; Brunei Dollar (BND) 100%</li> <li>&gt; Oman Rial (OMR) 100%</li> <li>&gt; Qatar Riyal (QAR) 100%</li> <li>&gt; Bahraini Dinar (BHD) 100%</li> <li>&gt; Hong Kong Dollar (HKD) 100%</li> <li>&gt; Saudi Riyal (SAR) 100%</li> <li>&gt; Swiss Franc (CHF) 100%</li> <li>&gt; Canadian Dollar (CAD) 100%</li> </ul> <p>All other currencies to be scaled at 80% In addition to assist with our internal processes the following items should also be submitted with applications where applicant in a Non Resident.</p> <ul style="list-style-type: none"> <li>&gt; Australian Passport</li> <li>&gt; Australian Drivers License</li> <li>&gt; Medicare Card</li> <li>&gt; Last know residential address in Australia</li> <li>&gt; Current Phone number</li> <li>&gt; Where applicant/s reside in UAE we must have PO Box for mailing address</li> <li>&gt; Require evidence of their current mailing address for all other locations (Bank statement, residential lease, utility or mobile phone account)</li> </ul>
<p><b>Loan Policy</b></p>	<p>Mature Age Policy</p>	<p>If loan term exceeds standard or proposed retirement age broker must provide exit strategy. <b>Note:</b> downsizing can be considered on a case by case basis refer to BDM.</p>
<p><b>Loan Purpose</b></p>	<p>2nd Mortgage Loans</p>	<p>Only accepted if a second mortgage is behind another Qudos Bank mortgage. If a second mortgage to Qudos Bank, guarantee must not be limited guarantee.</p>
<p><b>Loan Purpose</b></p>	<p>Family Guarantee Policy</p>	<p><b>Refinance Parenting guarantee loans</b> Qudos Bank can refinance family guarantees from existing owner-occupied family guarantees. Dollar for dollar refinances only.</p>
<p><b>Loan Purpose</b></p>	<p>Applicants / Guarantors/ Family Guarantee</p>	<p>Guarantee and parental support is available for Owner Occupied purchase or refinance where existing parenting guarantee is in place.</p> <p>A supported guarantee is acceptable subject to:</p> <ul style="list-style-type: none"> <li>&gt; Guarantor obtaining independent legal advice</li> <li>&gt; Guarantor will receive a benefit through the transaction*</li> <li>&gt; Guarantor would not be put in financial stress should Qudos need to take possession of the Guarantor's property</li> </ul>

<b>Loan Purpose</b>	Applicants / Guarantors/ Family Guarantee – continued	<p>*Benefit in the transaction may be by the way of improved financial position or wealth growth for a household or parent assisting a child to purchase an owner-occupied property. If the son/daughter is not contributing to the purchase, broker(s) are to ensure son/daughter is/are “committed” and not because of undue influence by the parent(s). Guarantee from parents can be limited. The amount of guarantee would be the amount required for the overall LVR to sit at 80%. Mortgage over parent’s property must be a first mortgage or a second mortgage behind another Qudos mortgage. If a second mortgage to Qudos, guarantee must not be limited guarantee. Where Guarantors are requesting Qudos to consider a second mortgage behind another financial institution this will be considered an exception and should be referred to your State based BDM prior to submission.</p> <p><b>Note:</b> Son/daughter should evidence contribution of minimum 5% via Genuine Savings or Clean rental history for minimum 6 months from licensed real estate agency.</p>
<b>Loan Purpose</b>	Bridging Loans	<p><b>Restrictions:</b></p> <p>Bridging Loans with 6-month term are available for (Owner Occupied securities) to assist members to purchase and sell a property. LVR must be &lt;=80% at completion of the bridging period. For assessment purposes, the value of the sale property is to be discounted by 10% Servicing required on end debt only. End position must have a DTI less than 7x.</p>
<b>Loan Purpose</b>	Construction	<p><b>Restrictions:</b></p> <p>Please note the following conditions for construction:</p> <ul style="list-style-type: none"> <li>&gt; For Land Loans <u>only</u> maximum LVR cannot exceed 70%, unless in a capital city where 80% can be considered, with no build contract available at time of approval or 80% with build contract available.</li> </ul> <p>Constructions loans are available subject to the usual construction documentation requirements (fixed price building contract, council approved plans, builders license and insurances).</p>
<b>Loan Purpose</b>	Full Assessment Pre-approvals	<p>All applications are fully assessed by an assessor, provided all supporting documents are provided in initial submission i.e. payslips and funds to complete.</p> <p>Preapprovals are valid for 3 months and include Mortgage Insurance approval (if applicable).</p>
<b>Loan Purpose</b>	Owner Builder	Unacceptable
<b>Low Doc Policy</b>	Other Information	Unacceptable
<b>Loan Products</b>	LVR	<p><b>Restrictions:</b></p> <ul style="list-style-type: none"> <li>&gt; Low Cost Home Loan - maximum LVR 90% (plus LMI)</li> <li>&gt; No Frills Home Loan - maximum LVR 80%</li> <li>&gt; Low Cost Home Loan (Value Package) - maximum LVR 90% (plus LMI)</li> <li>&gt; Qantas Points Home Loan - maximum LVR 90% (plus LMI)</li> <li>&gt; Standard Variable Rate Home Loan - maximum LVR 95% plus LMI to max LVR of 98%</li> <li>&gt; Fixed Rate Home Loan LVR 90% (plus LMI)</li> <li>&gt; Construction Loan LVR 90% (plus LMI)</li> </ul>
<b>LVR Policy</b>	Investment	<p><b>Restriction:</b></p> <p>Qudos Bank can offer Maximum of 90% LVR (plus LMI) for investment loans.</p>
<b>Mortgage Insurance Policy</b>	LMI Cap Policy	Maximum LVR 95% Plus LMI to a (max LVR of 98%) – Owner Occupied Purposes only.
<b>Mortgage Insurance Policy</b>	DUA	<p>Insurer: Genworth.</p> <p><b>Note: Qudos hold DUA with Genworth which speeds up turnaround time when LMI is involved.</b></p>




<b>Purchases</b>	Favorable Purchase	<p><b>Restrictions:</b></p> <p>If the purchase is for a discounted sale price, inquiries need to be made to verify if the discount is a gift or repayable and what the relationship is between vendor and purchaser. If a gift, a statutory declaration is required stating the difference between the valuation and the purchase price is a non-repayable gift. If not a gift, Qudos Bank is to be advised of repayment arrangements and impact on serviceability. Formal valuations are required for all favourable purchases.</p> <p>Please ensure the following conditions are met:</p> <ul style="list-style-type: none"> <li>&gt; 5% genuine savings <u>must</u> be demonstrated</li> <li>&gt; Will lend up to 100% of agreed purchase price at a maximum of 90% of bank valuation</li> </ul>
<b>Rate Lock</b>	Rate Lock Fee	\$649 and valid for 90 days from signed/paid rate lock form.
<b>Refinance</b>	Cash out maximum LVR	<p><b>Restrictions:</b></p> <p>Any cash out amount must have a specific purpose and will require evidence. Max LVR 90% plus LMI. Restrictions can apply due to purpose of funds. Refer to BDM.</p>
<b>Refinance</b>	Debt Consolidation	<p><b>Restriction:</b></p> <p>&gt;90% LVR plus LMI - maximum of 4 credit facilities can be consolidated.</p> <p><b>Verification:</b></p> <p>Account Statements should be reviewed for regular repayments, dishonour charges, arrears, late payments or undisclosed debts. Transaction listing from on-line banking will be accepted if they show the running balance, account number and name of account holder. In the event these are not showing, it must be accompanied with a full bank statement (which should be available to the borrowers on-line).</p> <p>Requirement for Refinances, Home Loans; Unsecured lending and Car loans; and Credit Card/Store Accounts:</p> <ul style="list-style-type: none"> <li>&gt; Home Loans - Transaction listing covering the last 6 months</li> <li>&gt; Other Loans - Statements and/or transaction listing covering the last 6 months of transactions</li> <li>&gt; Credit Card/Store - 3 latest account statements (must be consecutive months)</li> </ul> <p>Requirement for Property purchases:</p> <ul style="list-style-type: none"> <li>&gt; If a purchase, and there are no flags to warrant reviewing repayment history, then the latest statement can be used to validate facility limits</li> </ul>
<b>Security Policy</b>	Studio / Bed-sitter Units <35 >25 sqm	<p>Maximum 70% LVR. (Capital Cities Only).</p> <p><i>Refer to your BDM with the address for further information.</i></p>
<b>Security Policy</b>	Company Title Securities	Maximum LVR 70% for residential dwellings under company title.
<b>Unacceptable Securities</b>	Not accepted	<p>The following security types are unacceptable;</p> <ul style="list-style-type: none"> <li>&gt; Serviced apartments under 50m2</li> <li>&gt; NRAS / Student accommodation / Retirement village accommodation</li> <li>&gt; Display homes where the display village is ongoing (e.g. not due for decommission within 2 years)</li> <li>&gt; Timeshare</li> <li>&gt; Warehouse conversions</li> <li>&gt; Relocatable homes (security to be restricted to land value only)</li> <li>&gt; Owner builder</li> <li>&gt; Property is subject to contamination</li> <li>&gt; Units under 25m<sup>2</sup></li> </ul>

<b>Security Policy</b>	High Density	<p>Accepted as per the following LVR restrictions and subject to satisfactory valuation i.e. risk ratings:</p> <ul style="list-style-type: none"> <li>&gt; &gt;25 &lt;49 sqm max LVR 70%</li> <li>&gt; &gt; or = 50 sqm standard LVR policy applies</li> <li>&gt; If &gt;40sqm and &lt;50sqm may consider to 95% for OO (incl LMI) or 90% (plus LMI) for INV (Established units only)</li> </ul> <p>High Density Post Codes (new and established apartments) • For all new applications that are submitted from 26th April 2021 where LVR is up to 80% Qudos Bank has No High Density restrictions, (current policy) however, where LVR is above 80% and LMI is required restrictions do apply. Our LMI provider has added some additional Post Codes which are outlined on our Broker Portal "Resource Page".</p>
<b>Security Policy</b>	Small Units	<p>Accepted as per the following LVR restrictions and subject to satisfactory valuation i.e. risk ratings:</p> <ul style="list-style-type: none"> <li>&gt; &gt;25 &lt;49 sqm max LVR 70%</li> <li>&gt; &gt;50 sqm standard LVR policy applies</li> <li>&gt; If &gt;40sqm and &lt;50sqm may consider to 95% for Owner Occupied (incl LMI) or 90% (plus LMI) for INV</li> </ul>
<b>Security Policy</b>	Leasehold Properties	Acceptable; refers to ACT only.
<b>Security Policy</b>	Multi Dwellings Single Title	<p>Can consider multi dwellings on 1 title. The maximum LVR would be between 70-80% depending on the postcode etc. Refer to your BDM for further information.</p> <p>For construction maximum of 2 dwellings on 1 title.</p>
<b>Security Policy</b>	Property / LVR Restrictions	<p><b>Restrictions:</b></p> <ul style="list-style-type: none"> <li>&gt; Residential Dwellings Company title maximum LVR 70%</li> <li>&gt; Units between 25 and 49.9 square meters maximum LVR 70%</li> <li>&gt; Residential property in less than prime condition 70%</li> <li>&gt; Property with dwelling between 10 up to 50 hectares, maximum LVR 70% subject to acceptance of location and land usage so refer to BDM for consideration if unsure</li> <li>&gt; Other rural 50% LVR (subject to acceptance of location and land usage. Should not be subject to Agribusiness)</li> <li>&gt; Vacant Land 70% LVR non metro location with no construction component</li> <li>&gt; Vacant Land 80% LVR Metro location with no construction component</li> </ul>
<b>Security Policy</b>	Serviced Apartments	Considered to a maximum 60% LVR. Minimum 50sqm Living area. Rental income restricted to 60% scaling.
<b>Security Policy</b>	Rural Residential	<p><b>Restrictions:</b></p> <ul style="list-style-type: none"> <li>&gt; Rural property with a dwelling up to 50ha - Max 70% LVR (subject to acceptance of location and land usage. Should not be subject to Agribusiness)</li> <li>&gt; Other rural 50% LVR (subject to acceptance of location and land usage. Should not be subject to Agribusiness)</li> </ul>
<b>Security Policy</b>	Strata Conversions	Normal LVR policy applies however construction purpose <u>not</u> accepted.
<b>Security Policy</b>	Stratum Title	Normal LVR policy applies however construction purpose <u>not</u> accepted.
<b>Security Policy</b>	Term Deposit	Term Deposits 100% of the valuation.

<b>Security Policy</b>	Vacant Land	<p><b>Restrictions:</b></p> <p>Maximum LVR is subject to whether land will settle with or without Fixed Priced Build Contract, the following restrictions apply:</p> <ul style="list-style-type: none"> <li>&gt; 80% if no construction component (metro only) 70% (non-metro)</li> <li>&gt; 90% with build contract available</li> </ul> <p>**For more information on construction policy please search/select "Loan Purpose - Construction".</p>
<b>Security Policy</b>	Property size > 50 hectares - approximately 123 acres	<p>Acreage land size max 50 hectares - approximately 123 acres, at a max LVR 70% can be considered.</p> <p>Conditions apply, as a guideline of those conditions, please refer to the below:</p> <ul style="list-style-type: none"> <li>&gt; Land is non income producing according to the valuation and zoned rural</li> <li>&gt; The proposed security has a proper residence fully erected (not a shed for example)</li> <li>&gt; Postcode must be considered acceptable</li> <li>&gt; Services must be connected - i.e. water, electricity, gas, etc.</li> <li>&gt; Boundary must have sealed road access</li> </ul> <p><b>Note:</b> The applicant's type of work and how far the property is from their place of employment also needs to be factored in.</p>
<b>Valuations</b>	Requirements	<p>Qudos Bank order must order valuations in all cases. Qudos require a completed valuation authority in application submission (or available on broker portal).</p> <p>Qudos will cover up to \$300 toward valuation costs for loan amounts up to \$1M.</p> <p>Qudos will cover up to \$600 toward valuation costs for loan amounts over \$1M.</p>

**Important Information:** This Credit Policy is a guide only. All loans are subject to approval by Qudos Bank. We do not guarantee approval of any application that meets the requirements of this Credit Policy. We may change this Credit Policy at any time.

### Contact us:

 Contact your state based BDM for more information

 Apply online at [qudosbank.com.au/Broker](https://qudosbank.com.au/Broker)

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