

Target Market Determination



Product	LoanOne Blue Residential
Mortgage Manager	LoanOne Pty Ltd ACN: 54 161 283 147; ACL: 501182
Effective date of TMD	1 December 2021
TMD version	Version 1

About this document

This target market determination (TMD) seeks to offer consumers, distributors and staff with an understanding of the class of consumers for which this product has been designed, having regard to the objectives, financial situation and needs of the target market.

This document is not to be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice. Consumer must refer to the terms and conditions and any supplementary documents which outline the relevant terms and conditions under the product when making a decision about this product.

Description of the target market

The features of this product have been assessed as meeting the likely objectives, financial situation and needs of consumers who:

- Meet the eligibility criteria, including:
 - Being an Australian resident; and
 - Having a satisfactory credit rating;
- Are:
 - Self-employed; or
 - Salaried employees; or
 - An Australian registered company; or
 - A trustee of an Australian family or unit trust (the beneficiary and Trustee must meet the eligibility criteria of an individual or a company);
- Require a loan to fund the purchase or refinance of an owner-occupied or investment residential property;
- Require the option of a variable or fixed interest rate;
- Require the option of a sub-offset account;
- Require the ability to make unlimited extra repayments and access redraw; and
- Require the option of either principal and interest or interest only repayments.

Variable Rate

Whilst variable interest rates may fluctuate, the product meets the likely objectives, financial situation and needs of consumers in the target market because it provides consumers with the ability to make additional repayments and/or deposit funds into a sub-offset account to reduce interest payable whilst retaining the ability to draw on those funds when required.

Fixed Rate

Whilst the product has a limit on additional repayments the product meets the likely objectives, financial situation and needs of consumers in the target market because the fixed rate provides certainty of repayments during the fixed period making consumer budgeting easier.

Owner Occupied Residential Property

This product allows consumers to finance the purchase or refinance of an owner-occupied residential property with the ability to select principal and interest or interest only repayments.

Investment Residential Property

This product allows consumers to finance the purchase or refinance of an investment property to earn rental income whilst providing consumers with the ability to select principal and interest repayments in order to reduce the overall debt and build equity or interest only for tax purposes.

Ineligible consumers

This product may not be suitable for consumers who

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- Do not meet the issuer’s eligibility criteria;
- Are Australian non-resident and/or Expat customers.

Product description and key attributes

Maximum loan term	30 years
Maximum LVR	<ul style="list-style-type: none"> • 80% with no LMI • 95% with LMI (Owner-occupied) • 90% with LMI (Investment)
Maximum loan amount	\$2,000,000
Repayment type	<ul style="list-style-type: none"> • Principal & Interest • Interest Only
Fixed rate options	1 – 5 years
Interest only premium	Yes
Maximum IO period	5 years
Fixed rate premium	Yes (varies by years)
Offset account	Yes
Offset account premium	No
Redraw	Yes, within facility limit
Security location	Metro & non-metro considered
Security	1 st registered real property mortgage
Settlement fee	Payable
Legal fee	Payable
Annual package fee	Payable
Discharge fee	Payable
Application fee	Payable
Legal fee	Payable plus disbursements
Annual package fee	Payable
Discharge fee	Payable

How this product is to be distributed

Distribution Conditions

The distribution channels and conditions are appropriate because our distributors are:

- Subject to a higher duty under BID (mortgage brokers) to ensure that the product is in the best interests of the particular consumer
- Provided with detailed product specifications to enable assessment of customer suitability and eligibility;
- Trained on the Lender credit Policy to support the introduction of customers and loan proposals that are consistent with this TMD and within our Credit Policy eligibility criteria;
- Applications submitted by the Distribution partners include a Cover Sheet, Credit Notes and recommendation for consideration by the LoanOne Credit Officer;

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- Each application is assessed to ensure the application and customers eligibility and situation is appropriate for the loan applied for and consistent with this TMD; and
- Loan applications are not accepted from distribution channels that are not formally authorised by the issuer.

Target Market Determination Reviews

We will review this target market determination in accordance with the below:

Initial review	Within the 12 months of the effective date.
Periodic reviews	Annually (end of March each year)
Review triggers or events	<p>The following review triggers would reasonably suggest that the TMD may no longer be appropriate:</p> <ul style="list-style-type: none"> • A significant dealing of the product to consumers outside the target market occurs; • A consistent and regular number of complaints are received from consumers in relation to the product; • Material changes are made to the product specification, including features, fees and Lender Credit Policy will trigger a review of the product TMD; • There are high rates of refinance from LoanOne for this product; • There are high default rates; and • There are material regulatory changes or updated regulator guidance that may affect the TMD.

Reporting Requirements

The following information must be provided to us by distributors who engage in retail product distribution conduct in relation to this product:

Type of Information	Description	Reporting Period
Specific Complaints	Details of the complaint, including name and contact details of the complainant and substance of the complaint	As soon as practicable and within 10 business days of receipt of complaint
General information about complaints	Number complaints	Every 6 months (end September & March)
Significant dealing(s) where the distributor believes that a significant number of customers outside the target market are obtaining this product	Date or date range of the significant dealing(s) and description of the significant dealing	As soon as practicable, and in any case within 10 business days after becoming aware

This document should not be taken as financial product advice and has been prepared as general information only without consideration for your particular objectives, financial circumstances or needs. More information about the product can be found on our website, or in your loan contract.