

Target Market Determination



Product	LoanOne Solution Commercial Loan (Full Doc & Alt Doc)
Mortgage Manager	LoanOne Pty Ltd ACN: 54 161 283 147; ACL: 501182
Issuer	ORDE Mortgage Custodian Pty Ltd CAN 638 083 548
Servicer	ORDE Financial Pty Limited ACN 634 779 990 (Australian Credit Licence 522079) ("ORDE")
Effective date of TMD	March 2023
TMD version	Version 1.0

About this document

A Target Market Determination (TMD) establishes the target market of consumers this product has been designed for as determined by LoanOne Pty Ltd. It also sets out conditions for product distribution, triggers to review the target market and other reporting requirements.

A TMD is not a full summary of the product features or terms of the product. It is not intended to be a customer disclosure document and does not consider any person's individual objectives, financial situation or needs. Consumers interested in acquiring this product should carefully read the Loan Contract, Key Fact Sheet and General Terms & Conditions issued to them before deciding whether to proceed.

Description of the target market

Class of consumers that fall within this target market

Consumer type

Full Doc Loan – Suitable for consumers over the age of 18 who are employed (PAYG), self-funded retirees or pensioners who can provide evidence of their taxable income for verification.

Alt Doc Loan – Suitable for consumers over the age of 18 where one or multiple applicants are self-employed and unable to fully verify their income with the most recent years tax returns.

Objectives, financial situation, and requirements

The Loan Products are designed for individuals who may be seeking to utilise commercial property as security for the following:

- Purchase residential property;
- Arranging to refinance an existing home loan
- Accessing equity built up in an existing commercial property for personal purposes; and/or
- Consolidating personal debts

Consumers may have additional requirements for their home loan including:

- Redraw with no fees, subject to terms and conditions within the Loan Contract;
- Ability to make additional loan repayments; and
- Interest Only – may be allowed for a period, subject to lending assessment. An interest rate loading may be applicable for this type of loan repayment.

Product description and key attributes

Target Market Determination



The Products are likely to be consistent with the typical objectives, financial situation and needs of the class of consumers in the target market. This is based on an analysis of the key terms, features and attributes of the product and a finding that these are consistent with the identified class of consumers.

The key eligibility requirements and product attributes of these Products as well as the consistency with likely objectives, financial situation and requirements of the class of consumers in the target market are outlined below:

	Key Attributes of the Products	Consistency with likely Objectives, Financial Situation & Needs
Security Type	Commercial property held for Investment	
Loan Amount	\$100,000 - \$2,500,000	
Loan to Value Ratio (LVR)	≤75%	
Loan Term	10 – 30 years	
Repayment Type	<ul style="list-style-type: none"> Principal & Interest Interest only (Up to 5 years) reverting to Principal & Interest 	<ul style="list-style-type: none"> Consumers seeking Principal & Interest repayments are likely to have one or more of the following requirements: <ul style="list-style-type: none"> The ability to minimise interest paid over the life of the loan The ability to build home equity from the commencement of the loan; and/or Seeking the lowest possible available interest rate Consumers seeking Interest Only repayments are likely to have one or more of the following needs: <ul style="list-style-type: none"> To follow advice of their financial advisor/accountant, or for taxation reasons; and/or Seeking to preserve cashflow by reducing their required repayments
Repayment Frequency	Weekly, fortnightly, or monthly (Interest Only – monthly)	The varied repayment types available are likely suitable for consumers in paid employment so they may align their loan repayment frequency to their income deposit.
Interest Rate Type	Variable	This interest rate type is likely to be suitable for consumers who need one or more of the following: <ul style="list-style-type: none"> The ability to take advantage of potential future interest rate decreases The ability to make extra repayments to their loan; and/or Flexibility allowing early repayment of their loan

Target Market Determination



Account Management	Digital customer account access	This is likely to be suitable for customers that wish to access their loan account online or via a phone application.
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Note that exceptions to the above may be made on a case by case basis where still consistent with the consumers objectives, financial situation, and requirements.

How this product is to be distributed

This product can only be distributed through the following means:

Direct to Consumer

LoanOne may distribute this product to customers via an appropriately trained member of our Customer Assist team.

Third Party Distribution

Accredited third party introducers:

- Mortgage brokers

Distribution Conditions

The distribution channels and conditions are appropriate because:

- The Products have a wide target market;
- LoanOne/Lender conducts a full credit assessment on every loan application to ensure that the objectives, financial situation and requirements of the consumer are met; and
- Third party introducers must hold an Australian Credit Licence or maintain an appointment as a Credit Representative authorised to engage in credit activities on behalf of a credit licensee. They are also subject to a best interest duty to ensure that the Product is in the best interests of the specific consumer.

Target Market Determination Reviews

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

Initial review	Within 12 months of the effective date.
Periodic reviews	At least every 12 months from the last review.
Review triggers or events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited):</p> <ul style="list-style-type: none"> • a material change to the design features or distribution of the product, including related documentation; • occurrence of a significant dealing; • distribution conditions found to be inadequate; • external events such as adverse media coverage or regulatory attention; and • significant changes in metrics, including, but not limited to, complaints <p>Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.</p>

Reporting Requirements

We may collect the following information from our distributors in relation to this TMD.

Complaints	Distributors will report all complaints in relation to the products covered by this TMD. The report will include:
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Target Market Determination



	<ul style="list-style-type: none">• number of complaints; and• general feedback relating to the Products and their performance for active loans of these types <p>The report will be made by email to the Head of Compliance (complaint@loanone.com.au)</p>
Significant dealings	<p>Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days. The report will include:</p> <ul style="list-style-type: none">• date or date range of the significant dealing; and• description of the significant dealing (i.e., why it is not consistent with the target market determination) <p>The report will be made by email to the Head of Compliance (complaint@loanone.com.au)</p>