

Target Market Determination



Product	LoanOne Standard Series Residential Flex Full Doc
Issuer	Well Nigh Capital Funding No. 1 Pty Ltd ABN 17 603 911 995
Mortgage Manager	LoanOne Pty Ltd ACN: 54 161 283 147; ACL: 501182
Effective date of TMD	10 May 2024
TMD version	Version 3
Reference documents	General Home Loan Terms and Conditions and Credit Guide

About this document

This Target Market Determination (TMD) has been prepared in accordance with the Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019 and associated Regulations. TMDs are designed to assist issuers to ensure that financial products they issue are likely to be consistent with the likely objectives, financial situation and needs of the consumers for whom they are intended (the target market) and to assist distributors to ensure that financial products are distributed to the target market.

The TMD is general in nature and should not be construed as financial advice. Consumers should obtain independent advice prior to acquiring the product to ensure that it is appropriate for their particular objectives, financial situation and needs.

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;
- require a loan to purchase, refinance or construct an owner occupied or investment residential property;
- may want access to other optional features and benefits (such as linked offset account);
- require the option of a variable or fixed rate;
- require the choice of either principal and interest or interest only (available for investment residential properties and construction purposes only) repayments; and
- require the option of consolidating debts
- may be borrowers who have experienced a life event with adverse credit history who may not qualify for an alternate loan product.
- may be borrowers aged 60 or over (subject to adequate security) who may not qualify for an alternate loan product.
- have any of the above requirements and are borrowing under a Self-managed Superannuation Fund (SMSF) structure.

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 allows them to make additional repayments and/or deposit funds into an 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 and does not permit redraw, 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 household budgeting easier. Additionally the product benefits consumers within the target market by having an interest only repayment option which may be preferred in some instances for tax purposes.

Owner Occupied Residential Property

This product allows consumers to finance the purchase, refinance or construction of an owner occupied residential property with the ability to select principal and interest repayments in order to reduce the overall debt and build equity.

Investment Residential Property

This product allows consumers to finance the purchase, refinance or construction of an investment property 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:

- do not meet the eligibility requirements;
- have less than a 20% deposit not including government costs

Product description and key attributes

The key eligibility requirements and product attributes of this Residential Full Doc Home Loan are:

- Variable interest rate.
- Fixed interest rate over 1-5 year term.
- Offset account is available.
- Redraw is available on a variable interest rate except for SMSF loans
- Minimum loan amount \$50,000.
- Maximum loan amount \$2,000,000 (\$1,500,000 for SMSF loan).
- Maximum loan term 40 years.
- Maximum Loan to Valuation Ratio (LVR): 85%
- Repayment options:
 - principal and interest and interest only for Owner Occupied or Investment.
 - Interest only for Construction.
- Repayment frequency – weekly, fortnightly or monthly.
- Settlement fee is payable.
- Annual Facility fee is payable.
- Nil redraw fee for redraw conducted via internet banking (a fee applies for staff assisted redraw).
- Construction administration fee is payable.
- Pre-assessment fee is payable.

How this product is to be distributed

Distribution Conditions

The following distribution channels and conditions have been assessed as being appropriate to direct the distribution of the product to the target market:

Channel	Conditions
Mortgage Broker	All applications submitted by accredited mortgage brokers must comply with our policies and procedures issued to accredited mortgage brokers from time to time.

The distribution channels and conditions are appropriate because:

- the product has a wide target market;
- our distributors have been adequately trained to understand their DDO obligations;

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- we rely on existing distributors, methods, controls and supervision already in place;
- our approval system has controls in place to flag applicants who may be outside the target market; and
- accredited mortgage brokers are subject to a higher duty under BID to ensure that the product is in the best interests of the particular consumer;

Target Market Determination Reviews

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

Initial review	10 May 2025
Periodic reviews	at least every 12 months from the initial review and each subsequent review.
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 significant number of complaints are received from customers in relation to the product; • A significant number of defaults occur; • There is a material change to the product or the terms and conditions of the product.

Reporting Requirements

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

Complaints	The following information must be provided to the Issuer 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 complainant and substance of the complaint.	As soon as practicable and within 10 business days of receipt of complaint.
	General Complaints Information	Number of complaints and general feedback relating to the product and its performance	Every 1 month
Significant dealings	<p>Date or date range of the significant dealing(s) and description of the significant dealing (e.g., why it is not consistent with the TMD)</p> <p>As soon as practicable, and in any case within 10 business days after becoming aware</p>		