

Lo Doc 36 Loan



Effective 30th January 2006

General Features	
General Description	<p>A variable rate loan requiring less income documentation than standard loans.</p> <p>Mortgage insurance is only required for loans over 75% LVR</p> <ul style="list-style-type: none"> - Lo Doc period for this product applies for the first 36 months where it will convert to the Standard Variable Rate provided loan does not have more than 2 incidents of missed repayments and the loan is not in arrears at time of conversion.
Target Market	<ul style="list-style-type: none"> - Self-employed people/companies operating at least 2 years who do not have sufficient documentation to support standard loan application - PAYG applicants must have at least one self-employed borrower
Product Benefits	
<ul style="list-style-type: none"> • \$1.5 million up to 75% LVR • No ABN required • No financials required • Complex deals made easy • No income / employment verification for PAYG borrowers • No Lenders Mortgage Insurance up to 75% LVR, saves borrower the premium cost • No LMI restrictions do not apply up to 75% LVR - quicker approval • Lower repayments after 3 years • Easy access to redraw – Internet & Telephone Banking, and Bpay. • Repayment flexibility – Salary crediting, direct debit, direct credit, Cheque / Cash deposits, direct credits eg rent • Repayment on outstanding balance for interest only loans 	
Product Features	
Loan Purpose	<p>To purchase or refinance residential property:</p> <ul style="list-style-type: none"> - Owner-occupied - Other personal or Investment purposes <p>No construction loans</p>
Eligible Borrowers	<ul style="list-style-type: none"> - Personal and company borrowers - Retirees and Trusts are not eligible
Minimum Loan	<ul style="list-style-type: none"> - \$50,000 (or \$25,000 in combination with another loan)
Maximum Loan	<ul style="list-style-type: none"> - 75% LVR, total exposure \$1,500,000 no LMI. - If LMI required maximum exposure is \$1,000,000 per loan for Genworth or \$800,000 for PMI. Refer LVR section.
Loan Term	<ul style="list-style-type: none"> - Up to 30 years total loan term
Repayment Type	<ul style="list-style-type: none"> - Principal & Interest or - Interest Only up to 5 years

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Repayment Frequency	<ul style="list-style-type: none"> - Principal & Interest: Fortnightly or monthly - Interest Only: Monthly
Repayment Method	<ul style="list-style-type: none"> - Direct Debit - Salary Crediting
Combination Loans	<ul style="list-style-type: none"> - Available with other Lo Doc products. Cannot be combined with standard products unless full income documentation provided
Redraw	<ul style="list-style-type: none"> - Available - No minimum redraw amount if via telephone or internet. \$2,000 if manually requested
Redraw Fee	<ul style="list-style-type: none"> - P&I - Nil - IO - Nil
Credit Policy (Refer to Retail Credit Policy Manual for full details)	
Income / Employment Requirements	<ul style="list-style-type: none"> - Borrowers are required to sign a Lo Doc Declaration and state the facility is within their capacity to service and are able to meet most reasonable living expenses without substantial hardship - Self-employed applicants must have been operating for a minimum of 2 years, in order to estimate a reliable income stream. No ABN Required. - Applications will be accepted from PAYG income borrowers, including full time/part time/contract workers provided they are actively employed and loan has at least one self employed applicant
Documents Required	<ul style="list-style-type: none"> - Loan application completed and signed by all borrowers - Income declaration completed and signed by all borrowers - If refinance, 6 months statements of refinanced account
LVR	<ul style="list-style-type: none"> - Up to and including an LVR of 75%, total exposure \$1,500,000 - LVR between 76%-80%, total exposure of \$1,000,000 for Genworth or \$800,000 for PMI
Mortgage Insurance	<ul style="list-style-type: none"> - LMI not required up to 75% LVR - LMI mandatory over 75% LVR (in 80% postcodes)
Security	<ul style="list-style-type: none"> - 1st Registered mortgage residential property only - High-density inner city postcodes max LVR is 65%LVR. - No vacant land or "off the plan security" - Borrowers must be mortgagors - 3rd Party security allowed where debtors are spouse / defacto (only) and mortgagor is one of the debtors - Residential acreage to 10 hectares (25 acres) - Unacceptable securities as per credit policy
Valuations	<ul style="list-style-type: none"> - All loans require a valuation for all security properties securing the loan.

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Other Features	
Additional repayments	<p>Additional payments may be made at any time without any fee or penalty via:</p> <ul style="list-style-type: none"> - Internet & Telephone Banking - Cheque or Cash deposits through Westpac, Bank of Melbourne or Challenge Bank (using an encoded deposit slip) - Direct credit eg rent
Interest calculations	<ul style="list-style-type: none"> - Interest charged monthly and equals the daily interest rate multiplied by unpaid balance at 5pm Sydney time each day of the month - Daily interest rate is the interest rate (annual percentage rate) divided by 365 at 5pm Sydney time each day - Interest is charged only on the principal advanced
Interest Rate Setting	<ul style="list-style-type: none"> - Variable rates are based on the official cash rate and may change from time to time
Broken Period Interest on P & I loans	<ul style="list-style-type: none"> - For P&I if the drawdown date is not an interest due date (i.e. first of each month), broken period interest is calculated and payable 1st day of the month after settlement. No principal is repaid on the initial broken period repayment.
Default Interest	<ul style="list-style-type: none"> - Default interest may apply if the borrower does not pay an amount required to pay us under the loan agreement. - Refer to Terms and Conditions booklet for more details
Portable	<ul style="list-style-type: none"> - Can switch all or part of the limit to another product subject to product guidelines. - Substitution of security subject to credit assessment
Statements	<ul style="list-style-type: none"> - Quarterly statement for Principal & Interest, - Monthly statement for Interest Only
Discharge	<p>On termination of the loan, the entire balance outstanding must be repaid. Discharge amount includes:</p> <ul style="list-style-type: none"> - Current balance - Unpaid interest estimated to payout date - Unpaid fees and fines - Deferred Establishment Fee (if applicable) - Discharge fee

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