

Income Consideration

Classification	Conditions	Verification	Assessed
Self-employed Full Doc	<ul style="list-style-type: none"> ABN options: 12 / 24+ months GST as required 	<ul style="list-style-type: none"> Latest individual & company financials (if > 6 months old, 2 most recent BAS also required) ATO notice of assessment # Builders/Developers - 2 years financials & ATO notice of assessments (2 year average will be used unless the most recent year is lower than the previous year) 	100%
Self-employed Alt Doc	<ul style="list-style-type: none"> ABN options: 6 / 12 / 24+ months GST as required 	<ul style="list-style-type: none"> RedZed income declaration AND EITHER Accountant declaration, OR Business activity statements (last 6 months) & ATO portal, OR Business bank trading statements (last 6 months) & ATO portal <p> To assist with verification of the declared income, we may seek additional income verification</p>	100%
PAYG full time & part time employment	<p>Full time & Part time (hours to be evidenced as regular)</p> <p>No minimum employment period in current role providing evidence of previous employment history and in similar role and industry</p>	<p>Any two of:</p> <ul style="list-style-type: none"> Current payslips Group certificate 	100%
Casual, second job	> 6 months in current role	<ul style="list-style-type: none"> Tax assessment notice 	
Probation	Probation period is required to be completed prior to loan approval where there is no history of employment in a similar role or industry to the borrowers current role	<ul style="list-style-type: none"> Employment letter with letterhead, employment status, gross & net salary Bank statement with 2 pay cycles of direct credit 	100%
Contract income (PAYG)	> 12 months + copy of current contract(s)		
Employed by family (PAYG)	<p>Full time & Part time (hours to be evidenced as regular)</p> <p>No minimum employment period in current role providing evidence of previous employment history</p>	<ul style="list-style-type: none"> Most recent 6 months bank statements confirming salary credits AND Most recent tax return & assessment notice 	100%
Overtime, commissions, allowances	Evidenced for a period > 6 months	Evidence of regular payment > 6 months and averaged over the payment periods	100%
PAYG bonuses	Minimum 2 years evidence	Evidence of regular payment averaged over two years	100%
Car allowance	Provided cash option evidence is available	Copy or employment contract terms to support	100%
Centrelink payments	<ul style="list-style-type: none"> Austudy Disability pension Mature age pension 	<p>Government/Centrelink income can only make up a maximum of 40% of the overall net income being used.</p> <p>Evidenced by most recent Centrelink statement</p>	100%
Family tax benefit (A & B)	Children up to the age of 14 only	Cannot be the primary source of income	
Child support / maintenance	Child maintenance will not be considered without at least 12 months evidence of payment history for children up to 14 years of age only	<p>Copy of CSA or solicitors executed agreement. Minimum 12 months statement evidence of payment history</p> <p>Cannot be the primary source of income</p>	100%
Investments & dividends	Minimum 2 years history Secondary income only	Evidenced with a minimum of 2 years tax returns / financial statements and averaged actual if current year is lower	100%
Rental income (Residential & commercial)	Standard tenancy agreement only No short term or holiday rental including Airbnb accepted. Commercial requires a current tenancy, indicative rent is not acceptable	Current lease, tenancy agreement, rental statement, valuation, or agent's appraisal letter	80%
Rental income- private agreement	Where the rental agreement is not via a recognised real estate or rental management agency. Standard tenancy agreement only, no short term, holiday let or Airbnb accepted	Most recent 6 months bank statements clearly confirming rental deposits	80%
Notional rent expense	Expense applied for borrowers living with family or friends	Applicable for an individual, couple or family	\$1,000 per month
Superannuation & annuities	Subject to Senior Underwriter discretion	Appropriate statement evidence of SMSF balance and payments schedule	100%

Income Consideration

CONTINUED

PAYG foreign income	Discuss with your BDM	<ul style="list-style-type: none"> • Current payslips • Group certificate • Tax assessment notice • Employment letter with letterhead, employment status, gross & net salary • Bank statement with 2 pay cycles of direct credit 	75%
	<p>PAYG income only for an overseas worker (no overseas self-employed income, rent, or foreign pension)</p> <p>Must be employed by a multinational company</p> <p>Must be an Australian citizen only (permanent and temporary residency visa holder's ineligible)</p>		

Unacceptable Income

Projected income	×
Family pledge or parents / relatives as guarantors	×
Undeclared cash income / unverifiable cash income	×
Income from boarders	×
Workcover / workers compensation	×
Income from illegal activities or gambling	×
Irregular income	×
Centrelink payments:	×
<ul style="list-style-type: none"> • Rent assistance • Remote area allowance • Mobility allowance • Overseas pension • Newstart 	<ul style="list-style-type: none"> • Sickness allowance • Child disability allowance • Bereavement allowance • Carers pension • JobKeeper

Add Back Consideration

Self-employed Full Doc only

- Fees or income being paid to directors which have not been taken into account
- Existing outgoing rent being replaced by the proposed loan for owner occupiers
- Interest on loans being refinanced by the proposed loan
- Interest on loans that have been paid out during the financial year (with statement evidence)
- Non-recurring expenses shown in the Statement of Financial Performance (with supporting documents)
- Depreciation up to a total amount not exceeding 25% of business net profit can be added to after tax income for servicing calculations

NOTE: Allowable add backs are to be added to gross taxable income for servicing calculations and appropriate explanation notes included in the loan submission along with the required supporting evidence.



We offer common sense solutions through simple, responsible and tailored loan options designed to help business owners achieve their ambitions.

The income consideration shown is a guide and we strongly encourage you to discuss the circumstances of your loan proposal with your BDM to determine our position, or specific requirements to the individual situation presented.

Serviceability Guide for Debt Servicing Ratio & Debt to Income Ratio

Regulated loans - Debt Servicing Ratio (DSR) and Debt to Income Ratio (DTI) guideline applies.

Unregulated loans - Only minimum Debt Servicing Ratio (DSR) guideline applies.

Debt Servicing Ratio (DSR)	Residential	Commercial
Minimum requirement > 1.10x	✓	✓
Minimum requirement > 1.05x where individual borrower has Investment Property Borrowings	✓	×
Minimum requirement > 1.25x where commercial LVR is > 70%	×	✓
Debt to Income (DTI) REGULATED LOANS ONLY		
Self-employed and investment income only, allowable DTI up to	8.0x	
Self-employed, PAYG combined incomes and investment income only, allowable DTI up to	7.0x	
PAYG and investment income only income only, allowable DTI up to	6.5x	