



Mortgage Loan Suitability Assessment & Application Checklist

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Loan Details

LOAN TYPE

Application ID _____ Date of Meeting _____

Aggregator _____ Broker Name _____

Applicant Name/s _____

Loan Amount _____ Loan Type _____

Broker Declaration

I have taken into consideration Police & Nurses procedure and the Lending Policy Guide, and hereby confirm the following:

1. All applicable requirements have been satisfied and the requisite supporting documentation is enclosed. I verify that I have sighted the originals of all supporting documentation including all statements, savings, income and employment, and I have copies of these documents on file.
2. Reasonable inquiries have been made to the applicant/s to ensure the product meets their requirements and objectives.
3. The applicant/s requirements and objectives are consistent with those I have identified in the preliminary assessment:
 - I have informed Police & Nurses of any additional requirements and objectives that I have identified or been informed of.
4. Details of any conflicts of interest relating to this application have been provided.
5. An up to date and complete income and expenses assessment conducted in the preliminary stage has been provided to Police & Nurses.
6. I have discussed the impact of a fixed loan product versus a variable loan product with the applicant/s.
7. Where an application has the purpose of refinancing or consolidation of debts I have considered the costs, risks and benefits for the applicant/s. This includes:
 - evaluation whether the applicant/s can afford to change their loan and make payments without substantial hardship
 - evaluation whether any change to the applicant/s loan will result in improved cash flow and administrative convenience
 - any fees payable (for both loan closure and proposed new loan establishment)
 - providing a comparison of the interest rates for the old and proposed new loan, and
 - providing a comparison of the loan terms and repayment amount.
8. I have discussed with the applicant/s if they are aware of any situation relating to their current employment and income that may adversely affect their ability to meet their future financial obligation:
 - if they respond yes, please provide details below:
 - i. what situation will affect their ability to meet their future financial obligation?

 - ii. when is this likely to occur, and for how long?

 - iii. what does the applicant/s plan to do in order to manage the situation in order to continue to meet their future financial obligation?

 - iv. please indicate applicant's intended retirement age _____
 - v. if loan term extends past retirement age, provide strategy to continue to pay or repay debt.

X

Broker's Signature

_____ Date

ALL APPLICATIONS

- Application Form (Applicant & Guarantor)
- copy of certified identification for each Applicant & Guarantor
- a completed copy of the submission sheet/calculator
- last months statement on main transaction/saving account
- original verification documents sighted
- income calculations to be noted at bottom of submission sheet advising how obtained income figure used for servicing (ie. Base wage \$500/week gross x 52 weeks = \$26,000 gross pa). Explanation required for any deductions on payslips

INCOME VERIFICATION

Salaried Employees (all)

- Group Certificate (PAYG) for the last financial year, together with 2 recent consecutive payslips (dated within 2 months of application). If LMI required, Group Certificate and 2 of the last 3 payslips issued to the Applicant

Commission, bonuses, overtime, allowances

For loans requiring LMI (100% allowance for overtime, shift work allowance). Depends on LMI provider.

- 2 recent, consecutive payslips (as per Salaried Employees)
- a letter from the employer detailing employment type and wage structure confirming whether or not overtime is a condition of the member's employment, AND
- Group Certificate for the last financial year

Self-employed, Company Director or Applicants involved in a Trust

Additional conditions for LMI deal.

- 6 months statements for current credit commitments to show good conduct
- tax returns for the past 2 years (including profit & loss) for both personal and business; and any interim figures from your accountant if applicable
- accompanying ATO notices for the last 2 years tax returns
- copy of last 2 years financials (ie. profit & loss and balance sheet)

Note: Tax File Numbers must be removed from all supporting documentation as this will delay processing

Contract Income

- contract PAYE: copy of current contract plus tax return and accompanying ATO notice for the last financial year, plus 2 recent and consecutive payslips
- contract self-employed: copy of current contract plus tax returns and accompanying ATO notices for the last 2 financial years

Rental Income

- a current executed lease agreement, or
- management statement, or
- tax return for the last financial year which details rental income received, plus accompanying ATO notice, or
- for new purchases, rent appraisal from independent Real Estate Agent NOT involved in the sale of the property

Investment Income

Income level must be evident over the past 2 years. For loans requiring LMI – 80% allowance for investment income (interest, dividends).

- shareholding certificates/statements/notices plus tax return and accompanying ATO notice for the last financial year

Government Allowances

- a current Centrelink statement showing name of Applicant, frequency and amount (dated within 2 months of application)

GENUINE SAVINGS/EQUITY

- copies of last 3 months consecutive bank statements showing transactional history
- term deposit held for 3 months or more
- shares: documents evidencing ownership for a period of at least 3 months
- equity from real estate (additional borrowings or sale). Rates notice, loan statement, settlement statement (if applicable) to be provided as evidence

Investment Loans

- minimum 10% or 5% (depends on LMI provider) of the purchase price as genuine savings or equity in other real estate for all investment loan proposals where the loan purpose is for purchase or construction, and LVR > 85%

Note: borrowed funds or a personal loan cannot be used as part of 10% or 5% deposit.

NON-GENUINE SAVINGS (owner occupier only)

- copy of latest bank statement for bank deposits
- signed statutory declaration confirming non-repayable gift
- current employment of minimum 12 months, OR current employment of minimum 6 months AND previous employment term minimum 18 months AND employment within the same industry AND not on probation
- minimum 12 months in current residence. Rental letter or statutory declaration if a private rental to confirm good conduct
- 6 months recent and consecutive statements for current credit commitments to show good conduct

PURCHASE

- Contract of Sale
- evidence of funds to complete
- completed deposit and/or FHOG application form

REFINANCING OR CONSOLIDATING DEBTS

For debts being refinanced

- copy of last 6 months (LMI) or 3 months (no LMI) statements for liabilities being refinanced (home loan or personal loan)
- evidence that Council/Shire Rates, Water Rates, Body Corporate levies and Land Tax charges are up to date – evidence is to include the most recent billing statement/s showing no arrears

CONSTRUCTION

- building contract (signed) and specifications
- building plans

FIXED RATE LOCK-IN

(required on all Fixed Rate Home Loans only)

- form completed and returned within 5 working days of Rate Lock-In start date

EASYPAY PLUS PACKAGE

- form completed and returned if package requested