



Clarification - Residential Credit Policy Update – 27 February 2023

Further to our previous communication sent **16 February 2023**, updates to our Residential Credit Policy and Supporting Document requirements will take effect from **27 February 2023**.

Main Transaction Account Statement

One month main transaction history (or main trading account for self-employed applicants) will no longer be a mandatory checklist item. Where this is required under standard policy, e.g. as part of a declared living expense review or to confirm account conduct, we will request on a case-by-case basis.

Our Supporting Document Checklist and ApplyOnline have been updated, to take effect from **27 February 2022**.

Declared Living Expenses (DLE)

Applicant DLE can be accepted without review where all applicants have a CCR score of 800 or higher, and where at least one applicant has:

- A current residential mortgage loan; or
- Previously held a residential mortgage loan repaid within the most recent 24 months. Closure date will be verified by CCR information or transaction history.

We will also accept applicant DLE without review where applicants have not held a recent mortgage (within the last 24 months):

- All applicants have CCR score of 1000 or higher
- Customer declared absolute basic and discretionary basic living expenses are $\geq 110\%$ of HEM + savings capacity buffer.

A DLE review is required where

- LMI is required
- Hardship is identified (FHI / RHI)
- RHI of 1-6 or X

Repayment History Information (RHI) – R entries

'R' entries against a customer's repayment history in CCR will only be investigated (via transaction history) for potential hardship where there are ≥ 2 R entries in the most recent months (months 1-6).

Adverse Financial Hardship Information (FHI)

Where there is more than one FHI listed against an account, we will only consider RHI since the most recent financial hardship arrangement.

If you have any questions, please contact Select Assist on 1300 738 336 or your Partner Relationship Manager.

Regards,

Third Party Banking



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