



Aggregator Special Notice

5 Suncorp Bank changes effective Monday 27 March 2023

NSW First Home Buyer Choice property tax

As communicated in February, owner occupier strata, body corporate fees and land tax--including the NSW First Home Buyer Choice property tax--are no longer considered part of a Suncorp Bank applicant's living expenses.

If a NSW first home buyer chooses to pay the property tax (rather than the upfront stamp duty), we're advising the broker to select 'Yes' to 'Property tax applies' in the First Home Buyer Choice section of the Security tab in ApplyOnline (AOL) so the estimated amount populates. Brokers will use the estimated amount as a guide to account for the final property expense value, and continue to manually capture the 'NSW Annual Property Tax' as an ongoing 'O/Occ Strata, Body Corporate, Land Tax' expense in AOL.

5 new living expense categories in ApplyOnline (AOL)

There are new mandatory expense categories available in ApplyOnline, removing the need for brokers to manually update Private Health Insurance, which will now be captured under Personal Insurances. The simplified categories are as follows:

- Pet Care
- Personal Insurances (Life, Health, Sickness, Personal Accident and Income Protection)
- Other Insurances
- Board
- Secondary Residence & Holiday Home Costs (including Insurance), which will map as an ongoing expense

Note: Childcare expenses will only be required when a dependent has been declared in the application.

To align with the new living expense categories in AOL, there will be new ongoing expense fields in the Capacity to Repay Calculator as follows:

- Secondary Residence & Holiday Home Costs (including insurance)
- Health Insurance, Life Insurance/Income Protection, Sickness/Personal Accident Insurance

We have also updated the ongoing expense field name to include a Child Maintenance category and will now capture Pet Care under 'Other expenses'.

Package and offers enhancements

Additional validations have been added in AOL to ensure package information is captured correctly at the application stage.

This is to avoid an incorrect package selection that can negatively impact a customer's borrowing capacity.

Where no package is selected, the base rate + 3% will be adopted as the servicing rate

for all products.

Notional rent

Notional rent for applicants declared as boarding/living with parents/other in ApplyOnline will:

- Not be applied for capacity to repay calculations on owner occupier construction applications
- Be applied for capacity to repay calculations when purchasing a vacant block of land and the board expense declared is less than \$650/month per applicant

This enhanced alignment of ApplyOnline with credit policy will:

- Reduce the number of owner occupier construction applications that require escalated approval
- Provide a more accurate reflection of the customers' serviceability position
- Create a better experience for our customers and brokers

Note: There is no change to how a broker lodges their application.

Having trouble downloading attachments? Ensure your browser settings are configured to download attachments or try a different browser such as Microsoft Edge, Firefox or Safari.



Should you have any enquiries regarding the above changes, please don't hesitate to email us at BrokerPartnershipsOperations@suncorp.com.au.

