



Hi,

From **Thursday, 20 July 2023** we are making some important updates to our credit policy.

>30-year loan term solutions for new purchases only

From **Thursday, 20 July 2023** loans with a term >30-years will be available for new purchase applications only. Applications submitted prior to **8:00pm (AEST) Wednesday, 19 July 2023** will still be assessed under the existing rules.

More support for customers looking to refinance

We are updating our refinance application process to help support eligible refinance customers switch to ubank, who are considered a good credit risk but may not fully meet standard lending criteria including serviceability buffers.

A case-by-case approach

We recognise each customer is different, which is why we'll be taking a 'case-by-case' approach when assessing serviceability on refinance applications. Applicants will be eligible for Alternative Refinance Assessment if the following eligibility criteria is met:

- Loan purpose is refinance
- Their existing loan and requested loan is Principal and Interest
- LVR is not greater than 80%
- Is looking to refinance the same limit or up to 1% higher than the current home loan limit
- Will require the new loan for the same term or the loan term (in years) can be extended where appropriate
- The interest rate on the new loan facility is the same or lower compared to the customer advised rate on the existing facility
- Customer has had the existing home loan for a minimum of 12 months, with clear repayment history
- All other existing facilities held by the customer and reported to CCR have had clear repayment history for 12 months or since opening (if open less than 12 months)
- New loan is being refinanced in the same individual name/s as the existing loan
- There has been no financial difficulty (in the last 12 months) or anticipated changes that could adversely impact their financial situation disclosed by the customer

There will be **no change in process** for refinance applications which do not meet the above criteria. Ubank standard terms and conditions and credit criteria will continue to apply.

How to calculate serviceability for eligible applications:

When completing the serviceability calculator:

1. Input all required fields in the 'Serviceability Calculator' tab
2. Select 'Yes' to 'Eligible for Alternative Refinance Assessment'

When submitting eligible applications in Loanapp

1. Open the 'Loan Notes' section of the application summary screen
2. Add a note stating that the application is 'eligible for Alternative Refinance Assessment'

Our latest serviceability calculator

We'll be making some related updates to our serviceability calculator and the latest version (**v10**) can be found on our [broker site](#), from Thursday, 20 July 2023.

If you have any questions about the latest changes, feel free to reach out to your friendly [ubank BDM](#).

Speak soon,

Team ubank

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