

1.1 Vibe SMSF Lending Guide

Only for purchases or refinances.

1.2 Eligible Consumers

- (a) Trustee of a Self-Managed Super Fund
- (b) The SMSF Trustee must hold a beneficial interest in the security property and must have a right to acquire the property from the Property Trustee and is permitted to borrow in accordance with all relevant legislative requirements and any associated regulations.
- (c) The Property Trustee, which holds the legal interest in the security property on trust for the SMSF, must meet all relevant legislative requirements and any associated regulations.
- (d) Certified copies of all Trust Deeds must be provided prior to settlement.

1.3 Guarantors and Guarantees

- (a) All beneficiaries of the SMSF must be personal guarantors on the loan and must meet all the relevant legislative requirements and any associated regulations.
- (b) All beneficiaries of the SMSF are obliged to ensure that the SMSF remains SIS Act compliant.
- (c) SMSF Trustee borrowers and guarantors must obtain independent legal advice and proof of such advice is a settlement condition. Independent legal advice can be waived under the following conditions:
 - (i) Where the SMSF has had at least one other LRBA with the funder (active or discharged); or
 - (ii) SMSF has been established more than 24 months and ATO registration is current (e.g., tax and annual financial and compliance audits are up to date); or
 - (iii) This application relates to a new purchase and the SMSF has had at least one other LRBA (active or discharged).

2.1 Residential and Commercial Product and Security Summary

(a) Residential and Commercial Properties Product Summary

Key Parameters	Standard Documentation
Maximum Loan Size	\$3,500,000
Maximum Exposure	\$10,000,000
Minimum Loan Size	\$50,000
Maximum Loan Term (in months)	360
Maximum number of loans	4
Maximum LVR	90% (inclusive of fees) for Residential properties 80% (inclusive of fees) for Commercial properties
Serviceability	NDI 1.00 times cover

Repayment Types	Principal and Interest
	Interest Only for maximum of 10 years (5 + 5)

¹ Please refer to the Master Lending Policy for LVR restrictions.

(b) Residential Properties Maximum Loan Size and LVR Matrix

	LVR (%)	Standard Documentation		
		Inner-City	Metro/Non-Metro	Regional
Existing Dwelling ¹²	0 - 65.00	\$3,500,000	\$3,500,000	\$3,000,000
	65.01 - 80.00	\$3,500,000	\$3,500,000	\$2,000,000
	80.01 - 90.00	\$3,000,000	\$3,000,000	n/a

¹ the maximum LVR where proposed contributions are required for servicing is 80%.

² please refer to the Master Lending Policy for LVR restrictions.

(c) Commercial Properties Maximum Loan Size and LVR Matrix

	LVR (%)	Standard Documentation		
		Inner-City	Metro/Non-Metro	Regional
Existing Dwelling ¹²	0 - 65.00	\$3,500,000	\$3,500,000	\$3,000,000
	65.01 - 80.00	\$3,500,000	\$3,500,000	n/a

¹ Specialist Disability Accommodation and Specialist Rental Accommodation (Co-Living, Student and Boarding House) properties are unacceptable securities.

² please refer to the Master Lending Policy for LVR restrictions.

(d) Residential and Commercial Properties Maximum Loan Size and Repayment Type Matrix

Loan Amount	Standard Documentation	
	P&I	IO
Minimum individual loan	\$50,000	\$50,000
Maximum individual loan	\$3,500,000	\$3,500,000
Maximum aggregate loans per borrower	\$10,000,000	\$10,000,000

(e) Residential and Commercial Properties Maximum Loan Terms

Loan Terms (in months)	Standard Documentation		Alternative Documentation	
	P&I	IO	P&I	IO
Minimum loan term	60	60	n/a	n/a
Maximum loan term	360	360	n/a	n/a
Minimum interest only period	n/a	12	n/a	n/a
Maximum interest only period	n/a	60	n/a	n/a
Minimum fixed rate period	12	12	n/a	n/a
Maximum fixed rate period	60	60	n/a	n/a

(f) Residential Properties Acceptable Loan Purpose

Security Type	Standard Documentation		Alternative Documentation	
	P&I	IO	P&I	IO
Purchase investment property	90%	75%	n/a	n/a
Refinance investment property	80%	75%	n/a	n/a

(g) Commercial Properties Acceptable Loan Purpose

Security Type	Standard Documentation		Alternative Documentation	
	P&I	IO	P&I	IO
Purchase commercial, retail or industrial property	80%	75%	n/a	n/a
Refinance commercial, retail or industrial property	80%	75%	n/a	n/a

(h) Commercial Properties Maximum Loan to Valuation Ratio's

Security Type	Standard Documentation		Alternative Documentation	
	P&I	IO	P&I	IO
Commercial – Torrens Title, Strata Title	80%	75%	n/a	n/a
Industrial – Owner Occupied or Leased	80%	75%	n/a	n/a
Industrial – Tenants	80%	75%	n/a	n/a
Retail – Owner Occupied or Leased	80%	75%	n/a	n/a
Retail – Torrens Title, Strata Title	80%	75%	n/a	n/a
Retail – Tenants	80%	75%	n/a	n/a
Residential ≥ 3 or more on one title	80%	75%	n/a	n/a
Medical/Dental Suites	80%	75%	n/a	n/a
Serviced Apartments	75%	70%	n/a	n/a
Childcare Centre	75%	70%	n/a	n/a
Retirement Units	75%	70%	n/a	n/a

3.1 SMSF Serviceability

- (a) Serviceability for SMSF loan applications will be assessed on the following basis:
- (i) Rental Income in accordance with standard applications.
 - (ii) Income from interest/dividend earnings to be assessed using a minimum deeming rate of 4.0% p.a. or the actual return averaged over the preceding 24 months.
 - (iii) Income from any other assets to be excluded.
 - (iv) No personal servicing is required.
 - (v) Superannuation Guarantee (SG) Contributions for PAYG members (per member):
 - (1) 100% of SG contributions evidenced from the most recent ATO Income Statement; or
 - (2) 100% of the last 12 months SG contributions evidenced from the SMSF Cash Management Account (CMA) statement where the SMSF CMA statement is no more than 90 days old on receipt by the funder; or
 - (3) 100% of the annual SG contributions evidenced from the most recent Industry Super Fund statement and a recent account summary or transaction listing where the Industry Super Fund statement is greater than 90 days old on receipt by the funder; or
 - (4) 100% of SG contributions evidenced from two consecutive payslips with the most recent payslip no more than 60 days old on receipt by the funder¹; or
 - (5) 100% of SG contributions evidenced from an interim ATO Income Statement (excluding July to Sept period of each financial year)¹.
 - (vi) Additional Superannuation Contributions for PAYG members (per member):
 - (1) 100% of additional contributions evidenced from the most recent ATO Income Statement; or
 - (2) 100% of the last 12 months additional contributions evidenced from the SMSF Cash Management Account (CMA) statement where the SMSF CMA statement is no more than 90 days old on receipt by the funder; or
 - (3) 100% of the annual additional contributions evidenced from the most recent Industry Super Fund statement and a recent account summary or transaction listing where the Industry Super Fund statement is greater than 90 days old on receipt by the funder; or
 - (4) 100% of additional contributions evidenced from two consecutive payslips with the most recent payslip no more than 60 days old on receipt by the funder¹; or
 - (5) 100% of additional contributions evidenced from an interim ATO Income Statement (excluding July to Sept period of each financial year)¹.

¹ Please note that the funder will annualise the year-to-date (YTD) SG and additional contributions evidenced in the provided payslips or interim ATO income statement provided that the YTD figure covers a minimum of three months in the current financial year. If the two consecutive payslips or the interim ATO Income Statement are from Q1 of the current financial year (July–September) or lack YTD figures, another document listed above is needed to confirm current SG and additional contributions.

- (vii) Proposed super contributions for PAYG members (per member) are acceptable as follows:
- (1) Maximum of 10% of gross annual income, less additional contributions already being made evidenced from any of the following:
 - (a) the most recent ATO Income Statement; or
 - (b) two consecutive payslips with the most recent payslip no more than 60 days old on receipt by the funder; or
 - (c) an interim ATO Income Statement.
 - (2) Proposed super contributions are not acceptable from a PAYG member where the members' comprehensive credit report highlights any failure to meet existing repayment obligations (sum of repayment history indicators (RHI) must be less than 3 over the past 12 months) or if the members' Debt-To-Income (DTI) ratio is greater than 6.00:1 calculated as the total of the members credit principal balances (not credit limits), from the CCR, divided by the members gross income).
 - (3) Proposed super contributions will require a supporting "Proposed Superannuation Contribution Declaration" form completed by the members accountant or financial planner (please refer to template).
- (viii) Regular superannuation contributions for Self Employed members (per member) are acceptable as follows:
- (1) 100% of the last 12 months contributions evidenced from the SMSF Cash Management Account (CMA) statement where the SMSF CMA statement is no more than 90 days old on receipt by the funder; or
 - (2) 100% of the annual contributions evidenced from the most recent Industry Super Fund statement and a recent account summary or transaction listing where the Industry Super Fund statement is greater than 90 days old on receipt by the funder
 - (3) Members can make a one-off contribution up to a maximum of the concessional contributions limit (currently \$30,000) less contributions made over the last 12 months. Evidence of this one-off contribution can be a settlement condition.
- (ix) Additional and proposed super contributions for Self Employed members (per member) are acceptable as follows:
- (1) Company: 10% of NPBT of the most recent FY (can addback depreciation and salary drawings) from the member's primary trading entity; or

- (2) Sole Trader / Partnership: 10% of earned income from the member's personal tax return (excluding capital gains and rental income) and corresponding notice of assessment.
 - (3) Additional contributions that have been deposited into the SMSF bank account for Self Employed members can be a settlement condition.
 - (4) Proposed super contributions are not acceptable from a Self Employed member where the members' comprehensive credit report highlights any failure to meet existing repayment obligations (sum of repayment history indicators (RHI) must be less than 3 over the past 12 months) or if the members' Debt-To-Income (DTI) ratio is greater than 6.00:1 calculated as the total of the members credit principal balances (not credit limits), from the CCR, divided by the members gross income).
 - (5) Proposed contributions will require a supporting "Proposed Superannuation Contribution Declaration" form completed by the members accountant or financial planner (please refer to template).
- (x) Standard stress testing of loan repayments applies per section 3.2.
 - (xi) Must allow for all ongoing expenses associated with running the SMSF. Running costs associated with the property (e.g., building insurance, tenant insurance, capital works expenditure and depreciation expenses) are not costs associated with running the SMSF. The funder will use the higher of actual running costs, accountants estimate or a minimum of \$1,500 (GST inclusive).