

Purpose of this document

This Target Market Determination (TMD) has been prepared in accordance with the Corporations Act and associated Regulations. TMDs are designed to assist issuers to ensure that financial products they issue are likely to be consistent with the likely objectives, financial situation and needs of the consumers for whom they are intended (the target market) and to assist distributors to ensure that financial products are distributed to the target market.

The TMD is general in nature and should not be construed as financial advice. Consumers should obtain independent advice prior acquiring the product to ensure that it is appropriate for their particular objectives, financial situation and needs.

Product

RWF Essentials Home Loan

Reference Documents

RWF Credit guide
RWF Privacy policy
RWF Terms &
Conditions

Issuer

This product is issued by Perpetual Corporate Trust Limited ACN 000 341 533, serviced by RESI Wholesale Funding Pty Ltd ABN 22 140 674 120 Australian Credit Licence 470679 (**RWF**) and managed by Resi Mortgage Corporation Pty Ltd ABN 61 092 564 415 Australian Credit Licence 390669 (**RMC**).

Target Market

Description of Target Market, including likely objectives, financial situation and needs

The features of RWF Essentials Home Loan have been designed to meet the likely objectives, financial situation and needs of consumers who:

- Meet our eligibility criteria, including:
 - are individuals (including trustee of a family or unit trust) 18 years of age or above;
 - are either Australian citizens or permanent residents who reside in Australia who are living/working in Australia (this also applies to New Zealand citizens currently residing and intending to remain in Australia)

- can provide acceptable security for the loan in accordance with RWF's credit assessment criteria; and
 - can satisfactorily demonstrate that they are able to afford to repay the loan in accordance with RWF's credit assessment criteria.
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- Require a term loan to finance the purchase or refinance of an owner occupied or investment residential property;
 - require the flexibility of a variable interest rate which allows them to make unlimited additional repayments without cost whilst maintaining the ability to access those extra repayments via redraw;
 - require a sub-offset account; and
 - Require the option of either principal and interest or interest only repayments.

Whilst variable interest rates may fluctuate, the product meets the likely objectives, financial situation and needs of consumers in the target market because it allows them to make additional repayments and/or deposit funds into a sub-offset account to reduce interest payable whilst retaining the ability to draw on those funds when required. The maximum LVR, fees payable and interest rate will vary depending on the consumer's circumstances, including the method of income validation and credit rating. Refer to the product description below to ensure that the available product options, including their key attributes meet the consumer's likely objectives, financial situation and needs.

Owner Occupied Residential Property

This product allows consumers to finance the purchase or refinance of an owner-occupied residential property with the ability to select:

- principal and interest repayments in order to reduce the overall debt and build equity; or
- interest only to manage cash flow.

Investment Residential Property

This product allows consumers to finance the purchase or refinance of an investment property with the ability to select:

- principal and interest repayments in order to reduce the overall debt and build equity; or
- interest only for tax purposes.

Target Market Determination

Access equity

This product allows consumers to access part of the equity in their owner occupied or investment residential property in order to use the funds for an approved purpose (such as debt consolidation) in accordance with our lending criteria.

Description of product, including key attributes:

Product description, including key attributes	Home Loan Options		
	Prime	Near Prime	Alt Doc
Variable interest rate	Yes	Yes	Yes
Sub-offset account	Yes	Yes	Yes
Redraw	Yes	Yes	Yes
Minimum loan term	10 years	10 years	10 years
Maximum loan term	30 years	30 years	30 years
Minimum loan amount	\$150,000	\$150,000	\$150,000
Maximum loan amount	\$2,000,000, subject to location of security	\$1,000,000, subject to location of security	\$1,000,000, subject to location of security
Principal and interest repayments	Yes	Yes	Yes
Interest only repayments	Yes	Yes	Yes
Repayment frequency	Weekly, fortnightly or monthly	Weekly, fortnightly or monthly	Weekly, fortnightly or monthly
Maximum Loan to Value Ratio (LVR)	Up to 95%, inclusive of Lenders Mortgage Insurance (LMI)	Up to 80%	Up to 80%
LMI payable	Yes, if LVR >80%	No	No
Risk Fee payable	No	Yes, if LVR >60%	Yes, if LVR >60%
Income documentation	Standard PAYG and self-employed 2 years +	PAYG and self-employed 2 years +	Self-employed 2 years +
Credit history	Good – excellent	Average	Good - excellent
Additional payments at no fee	Yes	Yes	Yes
Application Fee	No	Yes	Yes
Valuation Fee	May be payable	May be payable	May be payable
Legal Fees	Yes	Yes	Yes

Classes of consumers for who the product may not be suitable This product may not be suitable for consumers who:

- do not meet the eligibility requirements;
- are seeking the certainty of fixed repayments over the term of the loan; and
- are looking to construct a property, or complete construction works to the secured property which will require additional loan funding.

Status: Current

Distribution Conditions

RWF applies the following conditions and restrictions to the distribution of the RWF Essentials Home Loan so that it is reasonably likely that distribution will be directed to the target market.

	Condition	Why do we do this?
Channel	<p>RWF Essentials Home Loans can only be distributed to customers through the following channels:</p> <ul style="list-style-type: none"> Accredited Mortgage Managers and their credit representatives, through customer contact centres or digital platforms; RWF accredited brokers subject to Best Interests Duty (BID). 	<ul style="list-style-type: none"> So that RWF only considers providing an RWF Essentials Home Loan to a customer if the customer's application for the loan is received through channels that are subject to appropriate conditions, controls and/or monitoring by RWF and are experienced in distributing this type of product.
Training & Accreditation	<p>RWF Essentials Home Loans can only be provided by RWF directly or through the following persons:</p> <ul style="list-style-type: none"> Authorised RWF Staff who are accredited and trained; RWF accredited Mortgage Managers and their representatives who are given instructions to an appropriate level for their tasks; and RWF accredited brokers and mortgage managers who are accredited and given instructions to an appropriate level for their tasks. 	<p>So that:</p> <ul style="list-style-type: none"> checks are conducted on matters like qualifications and past conduct for relevant individuals who are involved in the distribution of RWF products; and individuals understand the distribution process they are required to undertake when distributing RWF products, as well as the legislative framework relevant to their activities.
Process	<p>RWF Essentials Home Loans can only be provided to customers after RWF:</p> <ul style="list-style-type: none"> collects the required customer information (including being provided information by RWF accredited Mortgage Managers or accredited Brokers where relevant) and applies its affordability and suitability checking processes. 	<p>So those enquiries are made into a customer's needs and objectives and information is obtained which evidences a customer's ability to repay the loan.</p> <p>RWF's affordability and suitability checking process includes measures to:</p> <ul style="list-style-type: none"> collect relevant financial information from customers (either directly or through RWF's third-party distribution channels); analyse that information and assess whether the customer will be able to meet their financial obligations; and make enquiries with customers about what they will use the loan for and what loan features they require so that the product is likely to be consistent with their needs and objectives.

Status: Current

The distribution channels and conditions are appropriate because:

- the product has a wide target market;
- our distributors have been adequately trained to understand their DDO obligations;
- we rely on existing distributors, methods, controls and supervision already in place;
- our approval system has controls in place to flag applicants who may be outside the target market; and
- accredited mortgage brokers are subject to a higher duty under BID to ensure that the product is in the best interests of the particular consumer.

Review the Target Market Determination (TMD)

RWF will review this document periodically to ensure it remains appropriate.

Periodic Reviews of the TMD	Timing
<ul style="list-style-type: none">• Initial review	<ul style="list-style-type: none">• No later than 12 months from the date the determination is made.
<ul style="list-style-type: none">• Subsequent ongoing review	<ul style="list-style-type: none">• No later than 12 months from the date of the previous review.

Review Triggers

In addition, RWF will review this document within 10 business days of one or more of the following review triggers which would reasonably suggest that the TMD is no longer appropriate:

- There is a material change to the product or its distribution.
- There is a change in law or its application, a change in relevant industry code, an AFCA determination or a court decision, or ASIC or other regulatory guidance that materially affects the product.
- We receive a significant number of complaints or disputes in relation to the product.
- A significant number of defaults occur
- A significant number of applications for hardship are received
- A significant dealing of the product to consumers outside the target market occurs

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Status: Current

Reporting

The following information must be provided to RWF by distributors who engage in retail product distribution conduct in relation to this product:

Category	Description	Timeframe
Specific Complaints	<ul style="list-style-type: none">Details of the complaint, including name and contact details of complainant and substance of the complaint.	As soon as practicable and within 10 business days of receipt of complaint.
Complaints	Written notification as to: <ul style="list-style-type: none">Whether any complaints relating to the product were received; andIf so:<ul style="list-style-type: none">the number of complaints received during the period; and	Every 3 months and within 10 business days after the end of the reporting period.
Significant dealings	Written notification setting out: <ul style="list-style-type: none">Date(s) the significant dealing occurred;Description of the significant dealing and why it is not consistent with the TMD;Why the dealing is significant;How the significant dealing was identified; andWhat steps, if any, have been, or will be, taken in relation to the significant dealing.	As soon as practicable and within 10 business days of becoming aware of a significant dealing.

In addition, RWF accredited brokers must also provide written notification to RWF of:

Category	Description	Timeframe
Regulator feedback	Any other significant feedback from a regulator or consumer group which relates to the suitability of the product or its distribution.	Every 3 months and within 10 business days after the end of the reporting period.

Important information

This target market determination is not a recommendation, opinion, or advice that any person acquire the product or is within the target market for the product. It does not summarise the terms or risks of the product and is not an offer of, or invitation to apply for, the product to any person in Australia or elsewhere.