About this Quick Guide

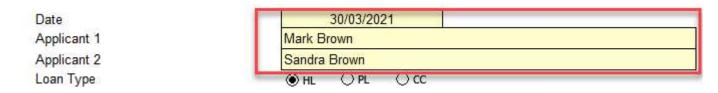
This Quick Guide has been developed to help brokers as they complete our excel Affordability Calculator and provides a walkthrough of each section, providing some hints and tips along the way.



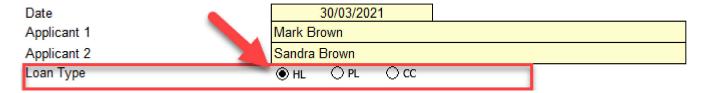
- Tip 1 All yellow fields can be completed
- Tip 2 If you require any further assistance, please contact your BDM.

Date/Applicants/Loan Type

1. Input **Date** and **Applicant 1** and/or **Applicant 2** names. If you have more than two applicants please refer to your BDM for assistance in completing the Affordability Calculator.



2. Ensure **Loan Type** is set to **HL**. It should be set to this by default.



Proposed Commitment

3. Input Loan / Limit amount, Term (in months), Actual rate, and Security value

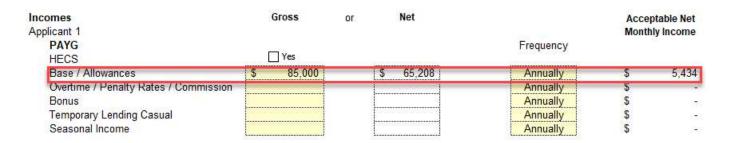




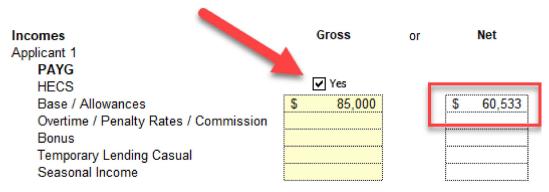
- Tip 1 The term in months = the remaining P&I term. Eg. if the loan is over 30 years with an initial interest only period of 5 years, input 300 months which is 25 years P&I
- Tip 2 For splits loans, input one loan in this section and any other loan splits as existing mortgages (refer to the section on existing mortgages below)
- Tip 3 For construction loans the construction period is up to 12 months IO. To capture this correctly, the term for servicing purposes is 12 months less than the actual loan term. Eg. a 30 year loan would have a term of 348 months (29 years).

Incomes

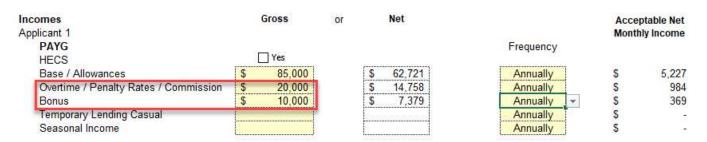
4. Input income into their relevant boxes. Full time/part time/casual income go into the **Base/Allowances** field. Select the correct **Frequency**.



5. If an applicant has a HECS/HELP debt, tick the **Yes** box. You will see the net income is automatically adjusted.



6. Input **Overtime / Penalty Rates / Commission** and **Bonus** income into their corresponding fields. This will discount these income types as per policy.





- Tip 1 Where applicant/s is an emergency services/health industry worker (doctor, nurse, police etc), include overtime or penalties in the base/allowances field as these can be taken at 100%
- Tip 2 There is a YTD tab on the calculator for calculating YTD income

7. Salary Sacrifice benefit can be used by adding back the pre tax salary sacrificed amount. Input this figure in the **Salary Sacrifice** field. Ensure you are not double dipping with the income by reducing the applicants gross income where applicable.

Company Vehicle / Car Allowance (non-taxable) Child Maintenance Dividends Interest (non-taxable)		Monthly Monthly Monthly Monthly	S S S	121 120 131
FTB (A&B) - 100% of allowed for dep <12 Overseas Income		Monthly Monthly	\$	151 151
Salary Sacrifice	\$ 16,000	Annually 🔻	\$	1,333
Centrelink incomes (Refer POL 7.1.12)		Ivionthiy	b	
Rental Income - Long Term		Monthly	\$	355
Rental Income - Short Term		Monthly	\$	323
Other (non policy income)		Monthly	\$	950
Other (non policy income - accepted by CA)		Monthly	\$	
Superannuation	\$1.50 \$4.50 \$4.50 \$4.50 \$4.50 \$4.50	Monthly	\$	-
UK Pension		Monthly	\$	8:88

8. Input Rental Income into the **Rental Income – Long Term** field. This is for any standard residential rental income. Input the full amount of the rental income, the calculator will adjust the figure according to policy.

Company Vehicle / Car Allowance (non-taxable) Child Maintenance Dividends Interest (non-taxable)		Monthly \$ Monthly \$ Monthly \$ Monthly \$ Monthly \$	80 20 20 21
FTB (A&B) - 100% of allowed for dep <12	<u> </u>	Monthly \$	58
Overseas Income		Monthly \$	
Salary Sacrifice	\$ 16,000	Annually \$	1,333
Centrelink Incomes (Refer POL 7 1 12)		Monthly \$	
Rental Income - Long Term	\$ 550	Weekly - \$	1,907
Rental Income - Short Term		Monthly \$	- "
Other (non policy income)		Monthly \$	28
Other (non policy income - accepted by CA)		Monthly \$	28
Superannuation	21 102 103 103 103 103 103 103 103 103 103 103	Monthly \$	2
UK Pension		Monthly \$	53

Living Expenses

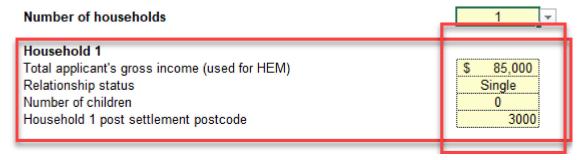
9. Input all declared basic and non-basic living expenses into their corresponding fields. Select the correct **Frequency** for each.

Basic Living Expenses	F	Frequency	
Groceries	\$ 150	Weekly	650.00
Utilities - Owner Occupied	\$ 350	Monthly S	350.00
Utilities - Investment		Monthly 5	-
Telephone/Internet & TV/Media	\$ 50	Monthly 5	50.00
Transport	\$ 200	Monthly \$	200.00
Insurance	\$ 120	Monthly \$	120.00
Clothing & Personal Care	\$ 40	Weekly	173.33
Childcare		Monthly 5	interaction
Public Education		Monthly \$	2
Recreation & Entertainment	\$ 40	Weekly \$	173.33
Medical & Health	\$ 80	Monthly \$	80.00
Other Expense		Monthly \$	-
Only Expense	fa	Total Basic Living Expenses	1,796.67
Non-Basic Expenses		Frequency	
Private school fees		Monthly S	-
Sickness & Personal Accident insurance (Income Protection)	25 200 200 200 200 200 200 200 200 200 2	Monthly S	_
Voluntary superannuation		Monthly 5	-
Life Insurance		Monthly \$	
Other		Monthly \$	2
\$15000A		Total Non-Basic Expenses	20

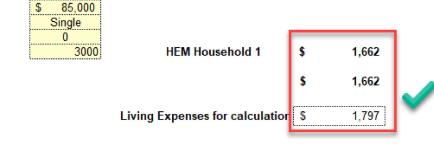
10. Select the **Number of households**. 1 household applies for single applicants or joint applicants where the borrowers are partners (de facto/married etc).



11. A new set of fields will populate. Complete all fields.



12. Ensure there are figures listed for HEM household, otherwise you may not have completed all of the required fields.



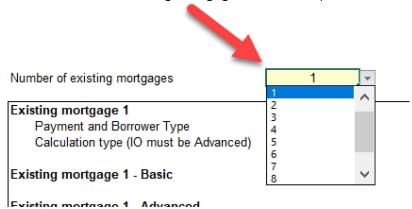




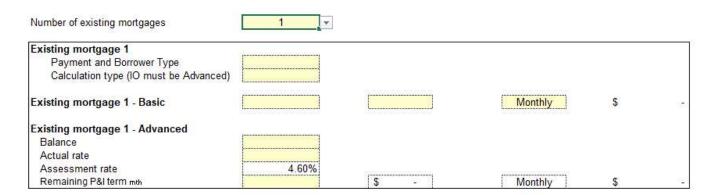
- Tip 1 Total applicant's gross income (used for HEM) is all applicant gross income. This includes 100% of any income that is discounted for servicing purposes (ie overtime/commission), and also any income not used for servicing (ie second job).
- Tip 2 Where there is rental income and an associated investment loan, you do not need to include rental income as part of the applicant's gross income (used for HEM).
- Tip 3 Where there are 2 households, contact your BDM for assistance with loading the expenses correctly.

Existing Mortgages (and split loans)

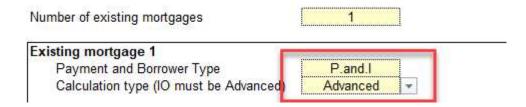
13. Select **Number of existing mortgages** from the dropdown box.



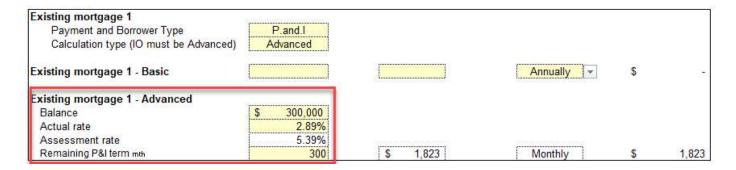
14. Extra fields will populate for each existing mortgage selected.



15. Always select Payment and Borrower Type - P.and.I and Calculation type - Advanced

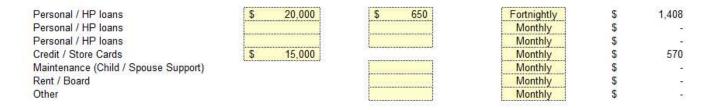


16. Complete all yellow fields for Existing Mortgage - Advanced – **Balance, Actual rate** and **Remaining P&I term** (in months)



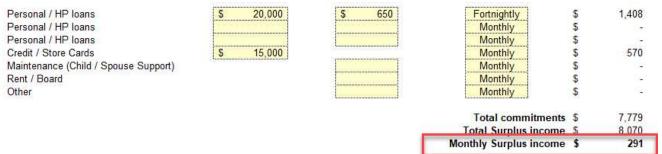
Other Commitments

17. This section is where you can load personal loans, car loans, credit cards, and other commitments such as rent/board or child support.



Monthly Surplus Income

18. The loan is affordabable if there is a minimum monthly surplus of \$1.





 Tip – CEOH Serviceability Ratios (Net Disposable Income Ratio) and Debt to Income Ratio indicators are for your reference only, and are not enforced for servicing purposes