



## 1. Breakdown of Employment Types

The table details the breakdown of acceptable types of employment.

**Exceptions to policy can be considered on a case by case basis:**

Type	Requirements
Permanent full time	<ul style="list-style-type: none"> <li>• Minimum of 6 months in current employment</li> <li>• If in current employment &lt; 6 months, must have been in continuous employment in the same industry for at least 12 months</li> <li>• If consumer is on probation, will be considered on a case by case basis</li> </ul>
Permanent Part Time	<ul style="list-style-type: none"> <li>• Minimum of 6 months in current employment</li> <li>• If in current employment &lt; 6 months, must have been in continuous employment in the same industry for at least 12 months</li> <li>• If consumer is on probation, will be considered on a case by case basis</li> </ul>
Casual	<ul style="list-style-type: none"> <li>• Minimum of 12 months in current employment</li> <li>• We will exercise caution if casual employment is the sole source of income, such as, enquiring with employer on prospects for continuity of employment</li> </ul>
Second Job	<ul style="list-style-type: none"> <li>• Minimum of 12 months in current employment</li> </ul>
Contract	<ul style="list-style-type: none"> <li>• Minimum of 6 months in current employment</li> <li>• If in current employment &lt; 6 months, must have been in continuous employment in the same industry for at least 12 months</li> <li>• Minimum 3 months remaining on contract term</li> </ul>
Self Employed	<ul style="list-style-type: none"> <li>• Minimum 2 years trading in the current business</li> </ul>

## 2. Acceptable Income

### 2.1 Australian Income

The table below details the acceptable and unacceptable types of Australian Income.

**Exceptions to policy can be considered on a case by case basis:**

Type	Requirements
Salary and Wage	<ul style="list-style-type: none"> <li>• 100% if employment requirements are met</li> <li>• Casual income assessed to a maximum of 46 weeks</li> </ul>
Overtime	<ul style="list-style-type: none"> <li>• 100% if regular or a condition of employment</li> <li>• Must be evidenced over a 6 month period</li> </ul>
Shift Allowance	<ul style="list-style-type: none"> <li>• 100% if regular or a condition of employment and is an industry standard</li> </ul>



Shift Allowance	<ul style="list-style-type: none"> <li>• Must be evidenced over a 6 month period</li> </ul>
Bonus / Commissions	<ul style="list-style-type: none"> <li>• 100% if confirmed by current employer for past 2 years</li> <li>• If in current employment &lt; 12 months, must have been in previous employment for at least 2 years in the same industry</li> </ul>
Salary Sacrifice	<ul style="list-style-type: none"> <li>• Where an employee voluntarily sacrifices a portion of their salary, 100% of the sacrifice may be taken into account and added to the gross income</li> </ul>
Salary Packaging	<ul style="list-style-type: none"> <li>• Where an employee is entitled to package a component of their salary pre-tax (e.g. meal &amp; entertainment card, novated lease etc.), 100% of the packaged amount can be included as non-taxable income</li> <li>• Non-taxable components need to be evidenced in Salary deposits</li> </ul>
Self Employed	<ul style="list-style-type: none"> <li>• Minimum 2 years trading in the current business 100% of current year's net profit capped at 150% of previous year's net profit</li> </ul>
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Add Backs	<ul style="list-style-type: none"> <li>• All Consumers - interest expenses if negative geared investment properties where allowed by ATO</li> <li>• Self Employed - directors income / salaries not included in servicing calculator, interest paid on debt being refinanced, business depreciation (20% of business taxable income) and non recurring expenses (Accountant confirmation required)</li> </ul>
Car Allowance	<ul style="list-style-type: none"> <li>• 100% against corresponding car loan repayments or added to gross taxable income</li> </ul>
Fully maintained company car	<ul style="list-style-type: none"> <li>• Up to \$5,000 can be added to gross income or \$3,500 to net income</li> </ul>
Rental Income	<ul style="list-style-type: none"> <li>• 80% of gross rental income for standard investment properties</li> <li>• 80% of gross rental income for SMSF investment residential properties</li> <li>• 80% of net rental income for SMSF investment commercial properties</li> <li>• 70% of gross rental income for National Rental Affordability Scheme (NRAS) properties</li> <li>• 80% of gross rental income for Specialist Disability Accommodation (SDA) properties (0% allowed where property is also receiving SDA Income)</li> <li>• 70% of gross rental income for Holiday accommodation properties averaged over the preceding 12 months</li> </ul>

NDIS Income	<ul style="list-style-type: none"> <li>80% of SDA income where paid by applicable Government Agency</li> <li>No tax incentives acceptable</li> </ul>
Investment Income	<ul style="list-style-type: none"> <li>80% of investment income (e.g. shares, dividends etc.)</li> <li>Interest on deposits, that are being used as funds to complete, are not acceptable</li> <li>Must be consistent over the 2 years</li> </ul>
Australian Government Bond Income	<ul style="list-style-type: none"> <li>100% of Australian Government Bond income</li> </ul>
Family Tax Benefit (as supporting income only)	<ul style="list-style-type: none"> <li>100% where paid via the Family Assistance Office or the Australian Tax Office</li> <li>Payment must be a Family Assistance payment (Part A and Part B only) made by the Federal Government</li> <li>The dependent child/children must be under the age of 11</li> </ul>
Child Maintenance (as supporting income only)	<ul style="list-style-type: none"> <li>100% if child support agreement is registered with the Child Support Agency</li> <li>3 months bank statements confirming regular receipt of payments</li> <li>Must have at least 5 years to expiry</li> </ul>
Employer Maternity Leave Payment / Paid Parental Leave Payment	<ul style="list-style-type: none"> <li>50% of Employer Maternity Leave Payment and government Paid Parental Leave Payment (Working Parent Payment) is acceptable on the basis that this income is currently being paid and will continue to be paid until the consumer returns to work</li> </ul>
Social Security Benefits & Government Pensions	<ul style="list-style-type: none"> <li>100% accepted where the funder considers the benefit to be a stable income source</li> </ul>
Unemployment & Sickness Benefits	<ul style="list-style-type: none"> <li>Unacceptable</li> </ul>
Workers Compensation	<ul style="list-style-type: none"> <li>Unacceptable</li> </ul>
Income from Boarders	<ul style="list-style-type: none"> <li>Unacceptable</li> </ul>
Income Protection & TPD Income	<ul style="list-style-type: none"> <li>Unacceptable</li> </ul>

## 2.2 Foreign Income

The table details the acceptable types of Foreign Income:

Type	Requirements
Salary or Wage	<ul style="list-style-type: none"> <li>80% of nett foreign income, converted to Australian dollars (using the average daily exchange rate over the past 30 days) if employment requirements are met</li> </ul>
Overtime	<ul style="list-style-type: none"> <li>80% of nett foreign income, converted to Australian dollars (using the average daily exchange rate over the past 30 days) if regular or a condition of employment</li> <li>Must be evidenced over a 6 month period</li> </ul>
Shift Allowance	<ul style="list-style-type: none"> <li>80% of nett foreign income, converted to Australian dollars (using the average daily exchange rate over the past 30 days) if regular or a condition of employment</li> <li>Must be evidenced over a 6 month period</li> </ul>
Bonus/Commissions	<ul style="list-style-type: none"> <li>80% of nett foreign income, converted to Australian dollars (using the average daily exchange rate over the past 30 days) if confirmed by current employer for past 2 years</li> <li>If in current employment &lt; 12 months, must have been in previous employment for at least 2 years in the same industry</li> </ul>
Self Employed	<ul style="list-style-type: none"> <li>Minimum 2 years trading in the current business</li> <li>Income levels must be consistent over the 2 years</li> <li>80% of nett foreign income, converted to Australian dollars (using the average daily exchange rate over the past 30 days). If net profit increased by &gt; 20% in year 2, then 120% of previous year's figures must be used, in all other circumstances year 2 income is used</li> </ul>
Rental Income	<ul style="list-style-type: none"> <li>80% of gross foreign income, converted to Australian dollars (using the average daily exchange rate over the past 30 days)</li> <li>Copy of Tenant Agreement or Rental Statement will be required if rental income is required for serviceability</li> </ul>
Investment Income	<ul style="list-style-type: none"> <li>60% of nett foreign income, converted to Australian dollars (using the average daily exchange rate over the past 30 days)</li> <li>Must be consistent over the 2 years</li> </ul>