

SMSF Loan Checklist

V1.2

Finance Services of Australia Pty Ltd

01/07/2020

The National Consumer Credit Protection Act 2009 contains responsible lending obligations for Australian credit licensees. The primary obligation is to conduct an assessment that the credit contract or lease is 'not unsuitable' for the consumer. In undertaking the assessment, we must take reasonable steps to verify consumer's financial situation. The documents checklist is developed to verify consumer's financial situation and verify information consumer provides in document Title "Client Need Analysis". The documents you provide will be photocopied and filed with your application. By providing the original document all applicants consent for us to make a copy of it and store it with your application, and if required transmit it to credit providers with whom you apply for credit

Self-Managed Superannuation Fund

- Two years super account statement and recent transactions since last statement issued; **AND**
- Certified Certificate of registration for Bare Trustee; **AND**
- Letter from accountant confirming BARE Trustee is not trading entity; **AND**
- Full ASIC Extract for Bare Trustee showing director and all shareholder for all classes; **AND**
- Certified Bare Trust deed; **AND**
- Audited super fund trust tax returns and financial statements for recent two financial years; **AND**
- Recent ATO portal statement for Superannuation Trust **Income Tax Account** and **Integrated Client account**; **AND**
- Certified SMSF Trust Deed; **AND**
- Certified Certificate of registration for SMSF Trustee; **AND**
- Full ASIC Extract for Bare Trustee showing director and all shareholder for all classes; **AND**
- Letter from accountant confirming SMSF Trustee is not trading entity; **AND**
- Certificate of financial advice will be required from a AFSL holder prior to issuing loan contract; **AND**
- Certificate of legal advice will be required from a Practicing Solicitor along with signed loan contract prior to settlement; **AND**
- Written confirmation from all members that they have sought advice from their financial advisor and legal representative confirming the name on the contract of sale meets appropriate Superannuation laws and confers to the requirements of states revenue and lands title departments; **AND**
- Last 24 months transactions from **SMSF Gateway**;

The following documents are required for all SMSF member

Identity Verification

In order to verify your identity Please provide all of the following original documents for all applicants.

- Current Australian Drivers Licence; **AND**
- Medicare Card; **AND**
- Current Australian Passport; OR Current Foreign Passport AND proof of permanent resident visa;

Income Verification

In order to verify your income Please provide the following original documents for all applicants.

PAYG Salary (including full time, part time, casual)

- For salary account last three months bank statement, all transactions since last statement issue date printed to PDF and last 90 days transactions exported to CSV file;
 - Copy of the two (2) most recent consecutive payslips;
- AND one of the following**
- Current Financial year Tax Print of income statements printed from mygov portal;

- Signed and dated letter of salary/employment on employer letterhead stating gross annual base income, role, length and basis of employment
- Most recent Tax return and ATO notice of assessment;

Bonuses

- Payslips showing bonus received in current and last financial year;

Self-employed borrowers

- Copy of last two (2) years tax returns – personal and business; **AND**
- Accompanying ATO notices for last two (2) years tax returns; **AND**
- Copy of last two (2) years financials (i.e. profit and loss and balance sheet); **AND**
- All lodged Business Activity statements (BAS) for current financial year; **AND**
- Where business is being carried out in a company or company is acting as trustee full current ASIC extract; **AND**
- Where business is being carried in a trust, full copy of the trust deed is required; **AND**
- Recent ATO portal statement of **Income Tax Account** and **Integrated Client account**; **AND**
- Three months business account statement **AND**
- Three months statement **AND** loan contract for all business liabilities.

Rental Income

- An executed current lease agreement; OR
- Rental statement from the Real Estate Agent managing the property; OR
- A rental appraisal letter from reputed Real Estate Agency accepted only if property is currently vacant; OR
- A current bank account statement that shows direct credits identifiable as the rental income

Government Allowance

- A current Centrelink statement showing name of customer, frequency and amount; **AND**
- A current bank account statement showing direct credits identifiable as income stated;

Genuine Savings/ Equity

Owner Occupied

Minimum 5% genuine savings for all new owner occupied loan applications where the LVR is greater than 85% and can comprise either of the following:

- Copy of last 3 months bank statements (in borrowers name) showing transactional history, preferably 6 months bank statements;
- Term deposits (in borrower's name) held for 3 months or more;
- Proof of accelerated loan repayments over the last 3 months in place of savings (existing savings plus the value of excess repayments must be equal to or greater than the minimum savings required);
- Shares – documents evidencing ownership for a period of at least 3 months;
- Rates notice and loan statement (if applicable) if equity in other real estate is being utilised;

- Letter from a real estate agent currently renting from, Letter should specify date started renting, rent amount and confirm good conduct; AND Copy of Lease and Rental Ledger;

Investment Loans

Minimum 10% of the purchase price as genuine savings or equity in other real estate for all investment loan proposals where the loan purpose is for purchase or construction, and LVR > 85%

- Rates notice and loan statement (if applicable) if equity in other real estate is being utilised;
- Copy of last 3 months bank statements (in borrowers name) showing transactional history, preferably 6 months bank statements;

Verification of Assets

Important: online statements must include client's name and account number.

- For all accounts held in name of all applicants last three months bank statement, all transactions since last statement issue date printed to PDF and last 90 days transactions exported to CSV file;
- Copy of most recent Rates Notice for all real property security;
- Recent superannuation statement;
- Copy of current home and contents insurance for all real property security;
- Signed statutory declaration confirming non-repayable gift from Donor and ALL Applicants, acceptable at pre-approval stage only, at full approval all funds need to be held in account;

Existing loan / DEBT / EXPENDITURE DETAILS

Important: ALL statements must cover consecutive months and the latest statement must not be more than 1 months old. Statements must include the borrowers name and account number.

For ALL existing liabilities (All Loans, Credit Cards, ATO, Centrelink, HECS/HELP)

- For ALL liabilities last six months' bank statement, all transactions since last statement issue date printed to PDF and last 90 days transactions exported to CSV file;
- For ATO debt provide ATO portal statement of **Income Tax Account** and **Integrated Client account**;
- For HECS/HELP debt provide HECS/HELP statement from ATO portal;
- For Centrelink debt provide deduction statement from centrelink;

Ongoing Rental Expense

Please provide one of the following to confirm rental expenses

- Copy of lease agreement; OR
- Letter from real estate agent confirming rent payments; OR
- Three-month bank statement showing rental payments; OR
- Copy of Rental ledger;

Ongoing Rent free accommodation

- Statutory declaration from Parents or relatives confirming rent free accommodation; **AND**
- Statutory declaration from applicant confirming rent free accommodation;

Purchases

- Full copy of Contract of Sale with purchasers name, purchase price and property address – signed and dated by all vendors, if contract is signed under Power of attorney copy of registered power of attorney is required; Contract should include registered title details and registered Deposited plan; **AND**
- If vendor or purchaser is a corporation, full ASIC extract of corporation is required **AND**
- Evidence of funds to complete (Document as per verification of assets section); **AND**
- Official Receipt from appropriate authority for all deposits paid; **AND**
- Certificate of currency for building insurance required before settlement; **AND**
- Copy of Proposed Transfer; **AND**
- If any dealings are noted on Certificate of Land title unregistered or registered appropriate instruments to remove these dealing must be provided at least two weeks before settlement; **AND**
- Unencumbered Certificate of Land title required at settlement; **AND**
- Final occupation certificate required for newly established properties;

Fixed rate Lock

Important: Fixed rate applied are the applicable rates at the date of settlement unless rate is locked. Rate Lock is processed at full Approval and rate at that date is applied.

- Completed separate Rate Lock Agreement and Direct Debit Request form;