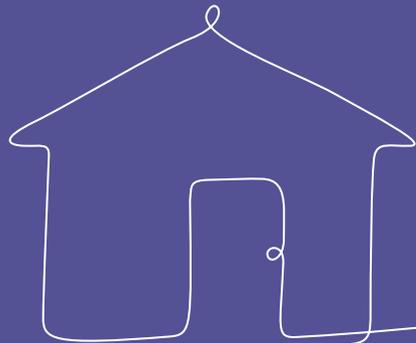


Bank of
Melbourne

A step by step
guide to your
home loan.



Are you a little nervous
about applying for
a home loan?

Relax.

It's quite simple once you know what to expect. That's why we've prepared this easy guide; it tells you everything you need to know so you'll feel comfortable every step of the way.

Also, see our guide to buying a home at bankofmelbourne.com.au/buyingahome

We want you to feel at home with your loan.

We'll do everything we can to keep you informed regarding the progress of your loan application. We'll ask you whether you prefer to be contacted via email or SMS and, in some circumstances, your Lender may contact you directly. If you're registered for Bank of Melbourne Internet Banking you can even check your application online.

To ensure everything runs smoothly and you choose the right loan for your needs and lifestyle, simply follow these ten easy steps.

Step 1. Talk to us.

The first thing you need to do is go to your local Bank of Melbourne branch or call 13 22 66 and ask for a Bank of Melbourne Lender to get in touch with you. Within one working day, a Lender will contact you by phone and, depending on your situation, arrange a time to meet with you.

At this first meeting, your Lender will talk you through your options, identify the best home loan for you and provide a quote. You'll need to take several documents – see the checklist in this brochure for more details.

My Lender's name is: _____

My appointment time: _____

Address: _____

Lender's contact number: _____

Step 2. Preparing for your meeting with your Lender.

Being well prepared for your first meeting can get your loan application approved sooner. So, if you need the money urgently, bring as much supporting documentation to the meeting as possible, as this will help the Lender to process your application quickly. See the checklist in this brochure for a list of the documents you need to bring to the meeting.

Step 3. What happens at your first meeting.

Your Lender will discuss your home loan needs with you. For example, are you buying your first home? Or are you wanting to buy an investment property? Or are you borrowing to pay for renovations or to build a new home? You'll also be asked specific questions about your income, financial commitments and what type of loan you prefer. So long as everything is in order, you'll be given a Conditional Approval Letter based on the information you've provided. A Conditional Approval is your guide to how much you can borrow from Bank of Melbourne; it doesn't mean you're ready to make a formal offer or buy at auction. To buy a property, you need formal approval, which is issued once your application has been checked and processed.

Step 4. Formal approval.

Provided you have given us all the required information and documents, within 6 working days of your meeting with your Lender, we'll give you a yes or no answer to your application. If your loan is formally approved, your Lender will arrange a time for you to come in and sign a Loan Offer Agreement. If you can't attend, we can make alternative arrangements, such as sending the document by mail.

Step 5. Signing the Loan Offer.

When you come in to collect the Loan Offer Agreement, you'll be taken through the loan details, such as rates, fees, repayments and other details of the loan. You'll also be given a booklet on fees and charges. Make sure you carefully read your Loan Offer Agreement (made up of the Loan Offer and the Residential or Portfolio Loan Agreement General Terms and Conditions).

At this stage, there are a number of things you should discuss or check with your Lender:

- Where to send your mortgage documents – to you, or your legal representative, or a third party. If you don't specify, we'll automatically send the documents to your legal representative.
- Are your personal details correct?
- Are all the loan details correct as discussed with your Lender?
- Have the fees and charges been explained to you?
- Have you been given your booklet on fees and charges?
- Do you have a take-home copy of your Loan Offer Agreement?

You can also ask your Lender about other services we may be able to help you with, such as:

- Credit cards
- Bank of Melbourne Deposit Protect Bond
- Home and contents and landlord insurance
- Protection Plans for Mortgage Customers
- Financial and investment planning
- Bank of Melbourne Easy Switch™ services.

Step 6. Mortgage documents sent to you or your legal representative.

Within 6 working days of you signing the Loan Offer Agreement, your mortgage documents will be sent to either you, or your legal representative, or a third party – depending on the instructions you gave your Lender in Step 4.

Step 7. You sign the mortgage documents.

At this stage, you may want to go through the fine print of your mortgage documents with your legal representative. If you have any questions about the details of your mortgage, please talk to your Lender. Once you're comfortable with your mortgage documents, sign and return them to Bank of Melbourne.

Step 8. We receive your signed mortgage documents.

Within 2 working days of us receiving your signed documents, we'll prepare the loan for settlement.

Step 9. Booking a date for settlement.

As soon as everything is ready for settlement, we'll contact your legal representative, who will then book in a settlement date. Please note that if you're refinancing a loan held with another bank, there may be a delay in booking in your settlement. Unfortunately, delays caused by other institutions are beyond our control, although we'll do everything we can to settle your loan as soon as possible.

Step 10. Settlement.

At settlement, funds are distributed according to the instructions provided by you, or your legal representative. Payees can include the vendor of the property, their real estate agent and your legal representative. If you have questions about where the money goes, talk to your legal representative. If you'd like to know anything about funds deposited to your Bank of Melbourne account, you can contact your Lender or call us on 13 22 66.

You will be contacted soon after settlement and your Lender can answer any questions you may have at that time.

Congratulations!

You've completed the loan process with Bank of Melbourne! We hope the experience has been a great one. We'd love to hear your feedback, so please email us at customerfeedback@bankofmelbourne.com.au or tell your Lender.

If there's anything else we can help you with, please get in touch soon.

Documents required for loan.

Identification.

New Customers:

Proof of identity validating your name, residential address and date of birth.

Two forms of identification (ID) must be provided. One must be a Primary form of ID and must contain the individual's full name and either residential address or date of birth. The second can be either a Primary or Secondary form of ID (see examples below).

Primary.

Passport, Licence (car or truck, issued by an Australian state authority; or pilot, issued by CASA), Photo ID Card/Proof of Age Card – (Issued by a Government Department), Birth Certificate or Birth Extract (Australian original), Citizenship Certificate, Pension Concession Card or Government Health Care Card.

Secondary.

Notice issued by a Commonwealth, State or Territory Department, Notice issued by the Australian Taxation Office, Notice issued by a Local Government Body or Utilities Provider (e.g. Council Rates, Water Rates, Electricity Bill, Gas Bill and Telephone (Landline) Bill), Australian issued Credit Card, Debit/ATM Card, Medicare Card, Student ID Card.

Proof of income.

Salary/wage earner.

If you are an employee (PAYG):

- Your last two consecutive computer-generated pay slips, with the most recent being no older than one month from application date. The pay slips must contain:
 - Details of each component of your income
 - Current and year to date gross and net income
 - Your name and your employer’s name.

Self-employed.

- Last 2 years’ Partnership/Trust/Company Tax Returns (including balance sheet and profit and loss statement); and
- Last 2 years’ Personal Tax Returns and Assessment Notices.
- Your most recent Quarterly BAS dated within 120 days of last BAS quarter.
- The corresponding BAS for same quarter for the prior year.

Rental property income.

Property currently tenanted

One of the following is required per rental property:

- Copy of the current Residential Tenancy Agreement; or
- The most recent rental statement from the managing agent; or
- The latest tax return showing rental income.

Property not currently tenanted

- Written rental opinion from a licensed real estate agent stating the property’s expected rental income.

Assisted income.

- A letter from the relevant government department detailing current entitlements.

Commission/bonus (been with employer more than 2 years).

- Current/most recent payslip covering a minimum of 3 months; and
- Latest PAYG summary; or
- Latest tax return with Notice of Assessment and prior financial year payslip detailing all historical bonus amounts received.

Maintenance.

- A copy of the court order and a letter from the child support agency showing amounts received, together with copies of current statements showing payments over a period of 6 months.

Savings history.

- Please provide copies of passbooks or statements of savings accounts not held with Bank of Melbourne, showing savings over the last three months.

Debts and other financial commitments.

Existing debt statements.

- If you have existing debts such as housing/investment loans, personal loans, car loans, margin loans, tax debts, buy now pay later, credit card and/or store card debts not being refinanced by this loan, current statements covering at least 1 continuous month prior to your application (most recent no more than 6 weeks prior). For Tax Debts, Australian Taxation Office (ATO) letter or printout from ATO Portal evidencing the formal payment plan with the ATO.

Rental or board commitments.

These are only required if you are buying an investment property and plan to keep renting where you live. We'll need to see one of the following:

- Current signed and dated lease/rental agreement (no older than 12 months) detailing the rental amount, frequency/cycle, property address and name(s) of tenants
- Letter from licensed property manager/agent (no older than 3 months) detailing the rental amount, frequency/cycle, property address and name(s) of tenants
- Rental ledger from licensed property manager/agent (no older than 6 weeks) detailing rental amount, frequency/cycle and name(s) of tenants
- Bank statement or transaction listing (no older than 6 weeks), covering 2 payment cycles, with a detailed narrative which aligns to the rental outgoing and detailing the rental amount and payment date. Account number/account name must be able to be matched to the applicant

Child Support/Spouse or De-Facto Maintenance.

Please bring a copy of any one of the following:

- Court order or child support agency letter dated within last 12 months confirming the amount of the ongoing obligations
- Bank statement or transaction listing covering 2 payment cycles.

Expenses.

Provide details of all ongoing expenses, such as childcare fees, clothing/personal care, groceries, higher education & vocational training costs, insurance (excluding life, health, sickness and personal accident), insurance (life, health, sickness and personal accident), investment property costs (including insurance), medical/health (excluding health insurance), owner occupied primary residence land tax, body corp & strata fees, primary residence costs (including insurance), private schooling & tuition costs, public or government primary & secondary education costs, recreation/entertainment, secondary residence/holiday home costs (including insurance), telephone/internet/pay TV/media streaming subscriptions, transport, other regular or recurring expenses.

Your loan situation.

Deposit paid.

Provide a copy of the receipt for the deposit paid for the property you intend to purchase.

Deposit – sale of asset (other than existing property).

If part of your deposit is made up of the sale of an asset, the proceeds must be deposited into a Bank of Melbourne savings account held in your name(s).

Refinancing an existing loan?

Please bring supporting documents for all debt(s) being refinanced by the loan.

Secured debt such as mortgage.

- Current statements covering at least 6 continuous months prior to your application (most recent no more than 6 weeks prior).

Unsecured debt such as credit card, personal loan or car loan.

- Current statements covering at least 3 continuous months prior to your application (no more than 6 weeks old).

Are you applying for a building or renovation loan?

Contract builder.

We'll need to see a fully costed and itemised tender for all work to be done by the builder. It must include the builder's name, address, phone number and licence number, and, for building tenders:

- Be dated no more than 14 days prior to the application date
- Remain firm for a minimum of 60 days from the date of tender
- Be accompanied by council-approved plans and specifications – when plans and specifications are not council-approved, please ensure the copies provided to us are identical to the ones submitted to council (NB: Council-approved plans and specifications are required before you start building)
- Include a fully costed and itemised schedule (together with copies of quotes) for any work not being done by the builder.

Owner builder.

- A fully costed and itemised schedule (together with copies of quotes from contractors/tradespeople) for all building work to be done. It must also include the cost of all material purchased to date
- A schedule of required progress payments during the course of construction
- Council-approved plans and specifications – when plans and specifications are not council-approved, please ensure the copies provided to us are identical to the ones submitted to council (NB: Council-approved plans and specifications are required before you start building)
- Contact name and telephone number of your construction supervisor, if you are using one.

Is this loan to pay out a joint owner?

If so, please bring a letter from your solicitor detailing the amount required to pay out the other person.

Is this loan to be in a company name?

We'll need the full name and the ACN of the company, the name and telephone number of the company secretary, and a copy of the share certificate.

Additional documents you need to provide:

First home owner grant.

If you're a first home buyer, you may be eligible for a First Home Owner Grant, as long as you intend to live in the property yourself. This money is useful for paying costs such as legal fees, stamp duties and title searches, or adding to your deposit. Talk over your options with your Lender.

For helpful hints on moving house and first-time property investment, visit bankofmelbourne.com.au/buyingahome

What else can we do for you?

We have some excellent products and services that are especially useful for home buyers.

Make life easier with a Bank of Melbourne transaction account.

It's a good idea to have your transaction account with Bank of Melbourne, as your loan repayments can be direct-debited from this account. What's more, if you have a variable rate loan, it can be set up as a mortgage offset account to help reduce the interest on your home loan.

Delay paying the deposit.

You can delay paying the deposit on your new home until settlement with a Bank of Melbourne Deposit Protect Bond. Ask your lender for details.

Value-for-money insurance.

Our range includes home and contents and landlord insurance. In addition, taking out life insurance against sickness, injury or death could help financially protect you and your family against the unexpected. We also offer travel, life and motor vehicle insurance.

Check out our credit cards.

We offer some of the best value credit cards on the market. So whether you're after a card with a really low rate on purchases, or one that has a choice of reward program, or even a Gold or Platinum credit card, we're sure to have one that's perfect for you.

Bank of Melbourne Easy Switch™

Take advantage of the opportunity to move your accounts to Bank of Melbourne, and use the Bank of Melbourne Easy Switch services. Bank of Melbourne Easy Switch takes the hassle out of moving banks, by assisting with the closing of old accounts and switching of direct debits and credits to your new Bank of Melbourne accounts. Ask your Lender about this service.

Moving house checklist.

We're here to help make the move to your new home as stress-free as possible. Now you've got your home loan sorted, this checklist could be helpful in planning ahead for your move.

When you exchange contracts to purchase your new property...

- Decide whether you'll undertake the move yourself, or leave it to a professional removalist who can arrange everything from packing and moving, to unpacking for you at the other end.
- If you're choosing a removalist, do your homework. Make sure the removalist visits your home to see exactly what's involved and confirm all the details like rates and times, payment methods and insurance for the move.

If you are moving yourself, you'll need to organise...

- Packing materials.
- A truck or van and licensed driver.
- A home contents transit insurance policy for the move.
- Some strong helpers.

About 4 weeks before your move...

- Arrange to have your mail redirected to your new address at Australia Post.
- Keep a list of your incoming mail so you can start notifying people of your new address, by phone or mail, or ask your Bank of Melbourne Lender for our handy Change of Address Cards.

You'll need to notify your:

- | | |
|---|---|
| <input type="checkbox"/> Family and friends | <input type="checkbox"/> Schools |
| <input type="checkbox"/> Work | <input type="checkbox"/> Insurers |
| <input type="checkbox"/> Bank | <input type="checkbox"/> Health fund |
| <input type="checkbox"/> Road authority for driver's licence and car registration | <input type="checkbox"/> Superannuation fund |
| <input type="checkbox"/> Accountant/Solicitor | <input type="checkbox"/> Subscriptions or memberships |
| <input type="checkbox"/> Doctor/Dentist | <input type="checkbox"/> Electoral commission |
| <input type="checkbox"/> Tax office | <input type="checkbox"/> Utility providers for final statements |
| | <input type="checkbox"/> Local council |

About 2 weeks ahead...

- It's a good idea to make a list of everything you're packing, just in case there are any problems with the move. Keep your inventory with your personal valuables. Consider taking photographs of your valuables as a convenient record for insurance purposes.
- Arrange the disconnection of utilities at your old home and connection of utilities at your new home:
 - Electricity
 - Gas
 - Telephone
 - Cable/Satellite TV
 - Internet
- Arrange home and contents insurance for your new home and specifically check that you are insured for the moving period. Your Bank of Melbourne Lender can help you with this.
- You may need to arrange cleaning of your new home before you move in.

The Move...

- You may need to make separate arrangements for moving your pets and plants.
- Keep valuables, personal effects and important papers with you so they don't go astray.
- Do you need to turn off gas and electricity?
- Don't forget your pets.

Enjoy your new home!



Bank of
Melbourne

For further information.

Ask at any branch.

Call us on 13 22 66, 8am to 8pm Monday to Saturday.

Visit bankofmelbourne.com.au

 Bank of Melbourne

The information in this brochure is prepared without considering your objectives, financial situation or needs. Before acting on the information, you should consider if it is appropriate for your needs. All applications for finance are subject to Bank of Melbourne's prevailing credit criteria. Details of applicable fees, charges and terms and conditions are available upon request. Information in this brochure is current at the time of printing and may change. This information and advice does not take into account your personal circumstances. You should read the relevant Product Disclosure Statement to see if these products are right for you. Visit bankofmelbourne.com.au. Bank of Melbourne Home and Contents Insurance is issued by Westpac General Insurance ABN 99 003 719 319 (WGIL) and distributed by Bank of Melbourne. Bank of Melbourne does not guarantee the insurance. For BT Protection Plans and BT Protection Plans for Mortgage Customers, the insurer is Westpac Life Insurance Services Limited ABN 31 003 149 157 (Westpac Life). All BT Protection Plans and BT Protection Plans for Mortgage Customers are issued by Westpac Life, except for Term Life as Superannuation and Income Protection as Superannuation, which are issued by Westpac Securities Administration Limited ABN 77 000 049 472 (WSAL). These insurance products are distributed by Bank of Melbourne. Bank of Melbourne does not guarantee the insurance. Information correct as at May 2020. © 2020 Bank of Melbourne – A Division of Westpac Banking Corporation ABN 33 007 457 141 AFSL and Australian credit licence 233714. WBCBOM07236 0920