

Security and LVR Guide



Security Location categories

The following table outlines Bendigo Bank's security location categories. These are divided into four categories (1–4) with a subcategory available in Category 1 to allow for higher properties values in Sydney and Melbourne metro locations.

Category	Description
Category 1 Sydney and Melbourne	Sydney and Melbourne metropolitan areas.
Category 1 Other metro cities	Other capital cities (inclusive of specified surrounding rural living areas) and major regional cities.
Category 2	Regional centres and large country townships.
Category 3	Country townships/other locations.
Category 4 Higher risk	Locations considered higher risk due to geographic, economic or other factors. Further lending restrictions may apply – please speak to your Business Development Manager.

Maximum Loan Sizes (by LVR and security location)

The following table outlines Bendigo Bank's maximum loan size available based on loan-to-value ratio and security location.

LVR	Category 1 Sydney and Melbourne metro	Category 1 Excl. Sydney and Melbourne metro	Category 2	Category 3	Category 4
≤ 95%	\$750,000	\$750,000	\$500,000	\$500,000	N/A
≤ 90%	\$1,500,000	\$1,500,000	\$1,000,000	\$750,000	N/A
≤ 80%	\$5,000,000	\$5,000,000	\$3,000,000	\$750,000	\$500,000
≤ 70%	\$6,000,000	\$5,000,000	\$3,500,000	\$1,250,000	\$500,000
≤ 60%	\$7,500,000	\$7,500,000	\$5,000,000	\$1,500,000	\$500,000

Maximum Loan to Value Ratios

The following table outlines Bendigo Bank's maximum Loan to Value Ratios (LVRs) that will be considered. Noting:

- Where multiple restrictions apply to the same security, the lowest LVR is to be applied.

Category	Value	Max LVR without LMI	Max LVR with LMI ¹
Security location (refer below for high density rules)	Category 1–3 locations	80%	95%
	Category 4 (higher risk)	60%	80%
	High risk locations	60%	80%
Apartments/Units	High density apartment/units	80%	90%
Purpose and/or repayment type	Owner Occupied with Principal & Interest repayments	80%	95%
	Investor with Principal & Interest repayments	80%	90%
	Interest only loans	80%	90%
	Refinance loans/debt consolidation	80%	90%
	Cash out	80%	90%
Rural *WA securities see below	Rural Living ≤ 10 ha	80%	90%
	Rural Residential >10ha <50ha	80%	90%
	Rural Residential >50ha	60%	N/A
Multiple units/townhouses in a single development	2 in a single development	80%	90%
	3 in a single development	80%	N/A
	≥ 4 in a single development	65%	N/A

¹ The LVR is inclusive of capitalised LMI. LVR is subject to LMI acceptability, location and loan purpose. Easy Home Loan has a Max 80% LVR for all purposes/repayment types.

***WA Rural Properties**

Properties in Western Australia zoned other than 'Rural Residential' must meet the following criteria:

- Category 4 locations are excluded (refer to Residential security location guide).
- Land size must be ≤ 10 hectares.
- The property must have a habitable dwelling that is used for owner occupied or residential investment purposes only.
- The property must be located within 100km of Perth CBD.

Units/Apartments

- Must have a minimum dwelling area (excluding balcony and car parking/storage) of 40m².
- Apartment complexes with more than 5 storeys (excluding car parking) or more than 50 units / apartments are deemed high density and lending restrictions apply (refer below).
- Other residential complexes e.g. gated communities with low rise townhouses, regardless of the number of properties in the development, are not considered high density.
- Not acceptable: Service, resort, hotel style and university/student apartments.

Units/Apartments – High Density

Where a unit/apartment is deemed to be 'high density', the following restrictions apply:

- The minimum dwelling area must be 40m²:
- The unit/apartment must have the following attributes:
 - Every habitable [bedroom(s) and living room(s)] must have a window or glass door receiving natural light
 - A separate bathroom
 - A kitchen (shared or communal kitchen not acceptable), and
 - Laundry facilities (shared or communal laundry facilities not acceptable).
- Maximum LVR without LMI is 80%. Where LMI is taken, maximum LMI guidelines apply and all requirements must be met.
- Full valuation is required.
- For untenanted property, the market rental from valuation must be used for serviceability, real estate agent's appraisals are not acceptable.

High Risk Locations

Defined as locations where geographical, economic or other reasons are considered higher risk. These include:

- All Category 4 security locations; and
- Any property identified with contamination, including any property valuation with a Risk Rating 4 for Environmental Issues due to contamination.

The following restrictions apply to high-risk locations:

- A full valuation must be completed.
- Maximum LVR 60% without LMI.
- When LMI is taken, maximum LVR 80% inclusive of LMI premium.
- Maximum loan size \$500,000.
- Interest only products are not acceptable.
- Rental income from these properties must be discounted to 60% of the market rent as noted on the valuation report.

For more information, please contact your Business Development Manager or call Partner Assist on 1300 791 679.