

# HERITAGE BANK BROKER LOAN STRUCTURE GUIDE

## IMPORTANT NOTES

- Each ApplyOnline application creates a new membership at Heritage. All loans under the one application will therefore appear under the one membership name.
- The general rule is if the loan is for the same entity (person) and formally approved at the same time then only one application is required. If the loan is in different names, requires different formal approval dates or qualification then separate applications are required.

## Where separate ApplyOnline applications are required (not one application with splits)

There are a number of instances where separate ApplyOnline applications are required. These include:

- **Approval In Principal (AIP) in conjunction** with a live application e.g. refinance + AIP purchase.
- **Joint refinance + purchase loan** where an existing loan is in an individual name. For example in husband's name only **OR** brother and sister refinance + purchase loan in sister's name only.
- **Applications that are to be in different names.** For example, husband and wife refinance three debts: one joint, one in wife's name and one in husband's name and wanting them to remain in separate names.

## Where only one ApplyOnline application is required

There are a number of instances where only one ApplyOnline application is required. These include:

- **Family Guarantee applications** – please refer to Family Guarantee section below for more information.
- **Multiple loans for same purpose.** For example, an owner-occupier refinance split into fixed and variable portion. This requires one application for one loan with two splits.
- **Multiple loans for the same person** to be approved at the same time. For example, owner-occupier refinance + investment loan. This requires one application with multiple loans.

## Family Guarantee Loans

Loading of guarantor loans will require loading of one application with two loans:

**Loan 1:** 80% of the purchase price secured by purchase property; and

**Loan 2:** Balance of the purchase price, along with associated costs and debt consolidation (refer to Family Guarantee policy on Broker website) against guarantor/s security. Heritage will accept a second mortgage.

### Important Notes:

- If a second mortgage guarantor, Heritage require a copy of the signed Notice to Prior Mortgagee form, along with 3 most recent months bank statements from guarantor's first mortgage at submission of the application.
- If the exit strategy is to service the portion of the loan secured by the guarantor, the guarantor's assets/liabilities are required with a completed supporting Living Expenses Assessment.

## Multiple properties where you do not want us to cross collateralise securities

In an instance where there are multiple properties that you do not want us to cross collateralise securities, please submit as one application with multiple loans providing clear notes that the properties are not to be cross collateralised and noting which property is securing each loan.