

Realty Assist Australia Pty Ltd

Target Market Determination – LMACollect

About this document

This target market determination (TMD) seeks to offer consumers, distributors, and staff with an understanding of the class of consumers for which this product has been designed, having regard to the objectives, financial situation and needs of the target market.

This document is not to be treated as a full summary of the terms and conditions of our personal loan product., which are set out in our loan terms and conditions which are available on request. You must refer to the relevant loan terms and conditions applicable to the product when deciding about whether or not to take a loan from us. Different terms and conditions apply depending on the amount of the loan you take from us.

When we refer to “us” or “we” in this document it is a reference to us, Realty Assist Australia Pty Ltd which is the issuer of the personal loan product.

Name of Product	LMACollect
Name of Issuer	Realty Assist Australia Pty Ltd trading as ‘LMACollect’ (“Realty Assist”)
Date of this Target Market Determination	5 October 2021
Overview - Description of Target Market and Product	<p>LMACollect is a financial product offered by Realty Assist which offers landlords of residential (and certain commercial) real estate properties access to funding for maintenance and advertising costs for their investment properties over 8 weekly bite sized payments to smooth out costs. The landlord to defer payment of these costs to better align the payment obligation with their cashflow requirements.</p> <p>The typical consumer that wishes to use our product is a person who owns an investment property wishes to defer payment of maintenance and advertising costs on the property to better align the payment obligation with their cashflow requirements.</p> <p>The product is a fixed cost short-term credit product.</p>
Eligibility criteria for our loans	<p>To be eligible for one our loans, you must:</p> <ul style="list-style-type: none">• be aged 18 or over;• own an investment property;• agree to use the loan proceeds for payment of maintenance and advertising costs in respect of your investment property;• be able to repay the outstanding debt within 62 days of the initial drawdown; and• be able to complete an online application process. <p>This product is consistent with the needs and objectives of customers who are seeking fast, flexible and short-term finance.</p>
Exclusion criteria for loans	<p>We will not give you one of our loans if we determine that you are not in our target market, including where you do not meet the eligibility criteria set out above.</p>

Loan Features	<p>Our loans:</p> <ul style="list-style-type: none"> • have an application/establishment fee; • charge a monthly fee by way of fixed interest rate for the term of the loan; • allows you to choose between repaying at any time or repaying when your old bond is returned; and • have a loan term of a maximum of 62 days.
When we will take security for repayment of the loan	<p>We generally have the right to ask for security at any time for repayment of the loan. We can do this by registering a mortgage against your property and/or a caveat.</p>
Consistency between target market and the product	<p>The personal loan products have been designed to suit a wide target market of consumers who require access to a credit facility to assist with payment of their maintenance and advertising costs in respect of their investment property.</p> <p>The loan periods of the personal loan products are designed to be shorter with the intention that the customer is not paying for the loan far beyond it's expected benefit.</p>
How we distribute the loan product and who are the Distributors	<p>LMACollect is distributed to property owners who submit an application through Realty Assist's digital portal. The product is generally only offered to property owners who have appointed real estate agents that are clients of Realty Assist. The product is limited to those property owners that meet our eligibility requirements. In addition, funds may be advanced directly to the real estate agency managing the investment property on the property owner's behalf.</p> <p>The distribution channels and conditions are appropriate because:</p> <ul style="list-style-type: none"> • the product is distributed through real estate agents who have an understanding of the property owner's needs; • we rely on existing distributors, methods, controls and supervision already in place; • our third party distributors are required to undertake training prior to assisting applicants, and must follow documented procedures, including screening consumers prior to an application to determine whether they fall within the target market; and • our approval system has checks and controls in place to ensure that the product is only distributed to consumers in the target market.
Distribution Conditions	<p>We have distribution conditions in place designed to help ensure that our loan product is only sold to consumers in the target market.</p> <p>We ensure that:</p> <ul style="list-style-type: none"> • our website content gives consistent messaging directed to our target market; • our initial review of application process excludes consumers who, based on objective and measurable criteria, do not meet our eligibility criteria; • our assessment process determines whether a consumer meets our eligibility criteria, and • our review process reviews applications where it is initially unclear or uncertain whether the application meets our eligibility criteria or whether we are prepared to loan to the consumer.
Adequacy of distribution conditions and restrictions	<ul style="list-style-type: none"> • Implementation of suitability and eligibility questions through our proprietary semi-automated application process allows us to identify those applicants who do not meet the criteria for the products prior to any loan offer being made to a consumer. • We make and review our agreements with distribution partners (real estate agents) taking into consideration their access to the target market for our loan product.

Timing and process by which we review our Target Market Determination	We will review this target market determination as follows:	
	Review Type	Date of Review
	Initial review	Within two years of the date of first issue of this target market determination.
	First periodic review	No later than two years after completion of the initial review.
	Subsequent periodic reviews	No later than two years after completion of the most recent periodic review.
	Annual Review Event	Annually in July each year
	Trigger event	Within ten (10) days of the occurrence of a trigger event
Description of events which constitute a "Trigger Event"	<p>A trigger event is any event or circumstance that should objectively give rise to a reasonable belief on our part that this Target Market Determination is no longer appropriate having regard to a variety of factors, including (but not limited) to any of the following:</p> <ul style="list-style-type: none"> • a material change to the design or distribution of the product including related documentation; • the occurrence of a "significant dealing" in relation to our loan product. • the distribution conditions are found to be inadequate or deficient; • the occurrence of external events such as adverse media coverage or regulatory feedback; • significant changes in metrics, including, but not limited to, complaints, hardship applications, arrears, application volumes and approvals per approved distribution partners; • negative feedback about the loan product received from a Court, the Australian Financial Complaints Authority, ASIC or other regulatory body; • guidance received about the loan product received from a Court, the Australian Financial Complaints Authority, ASIC or other regulatory body; • a change in legislation which impacts on the design or distribution or the structure of the loan product; or • the value of outstanding loans written of in a financial year being significantly higher than the projection for loans written off loans made at the end of the prior financial year. 	
Annual Review Event	<p>The following matters will constitute an annual review event but do not of themselves necessarily indicate that an event or circumstance has occurred that reasonably suggests that the TMD is no longer appropriate. The occurrence of the following events may merely indicate a change in economic circumstances. However, an annual review of the following matters is to be conducted to determine as accurately as possible the underlying cause of the event. The annual review events are:</p> <ul style="list-style-type: none"> • a material increase in the number and percentage of customers seeking hardship relief as compared to the immediately preceding financial year; • a material increase in the number of responsible lending complaints received during a financial year when compared to the number of complaint received in the immediately preceding financial year. 	