

Technical and post-settlement variations – a reference guide

Overview

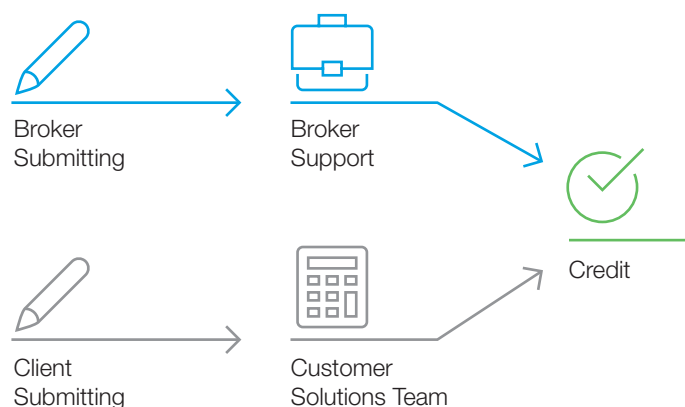
This reference guide outlines the general information required for post settlement technical variations and maintenance requests post-settlement. It provides more detail on:

- the process name/description, documentation requirements and key points that may be applicable
- where enquiries should be directed for post settlement loan maintenance requests/enquiries
- what a broker can enquire and instruct on post settlement for maintenance-type requests.

This guide is designed to be used as a quick reference point and may not cater to all scenarios relating to a specific variation type. Where more detail is required, talk to your BDM or our Broker Support team.

Application channels

There are two application processing channels within Macquarie. The below flow illustrates how they differ.



Client submitting refers to clients who did not use a broker to establish the loan originally, are no longer in contact with their broker, or who advise they do not wish to use their broker for this request.

N.B. All clients are given the option of contacting their broker to discuss their needs and assist them, prior to the Customer Solutions team proceeding with any application/consent.

The two processing channels run adjacent, but independently, of each other. It highlights that the Customer Solutions team are not part of the solution chain for any broker-submitted applications/requests. Likewise, the Broker Support team don't liaise with clients directly regarding variation requests.

Submissions

Broker should email all documents to Broker Support State Inbox for them to create a PEGA case with "TVR" as the prefix for a technical variation.

VIC	brokersupportvic@macquarie.com
S.A.	brokersupportsa@macquarie.com
W.A.	brokersupportwa@macquarie.com
NSW/ACT	brokersupportnswact@macquarie.com
QLD	brokersupportqld@macquarie.com

For additional information, see our hints and tips and FAQs at the end of this guide, or get in touch with your BDM.

Variation Request Type	Explanation/Example	Documentation Required	Valuation Required?	Any Key Callouts
Add Guarantor	Considered case by case	<ul style="list-style-type: none"> Email request from Broker Completed and signed Application form from proposed Guarantor AML requirements for new Guarantor Copy of the proposed Transfer (confirming if any priority is required if being added as Mortgagor also) 	No	Refer to your BDM for scenario advice. Most requests to add a Guarantor will require Internal Refinance.
Add Mortgagor	As above, most commonly between spouses/de-factos – where an existing party to loan now wishes to have their name noted on the Certificate of Title.	<ul style="list-style-type: none"> Instructions from Broker or Client's Solicitor Copy of the proposed Transfer (confirming if any priority is required to be paid) 	No – If no additional funds are being sought.	<p>If new Mortgagor is not a current party to the loan, Internal Refinance may be required to add new party as Borrower or Guarantor.</p> <p>Refer to your BDM for scenario advice.</p>
Change of Name on Certificate of Title	Most common scenario is due to marriage. Can also be requested where Client has changed their name through deed-poll.	<ul style="list-style-type: none"> Instructions from Broker or Client's Solicitor confirming change is to also be made on property Title Certified copy of the Marriage Certificate (or) Certified copy of the Change of Name Certificate Statutory Declaration from Client confirming name change and evidencing old and new signatures 	No	<p>Client can opt to change name on loan and not on Title. However, if the Title requires updating for other reasons, it MUST be updated.</p> <p>If name is being updated on the Title, it MUST be updated on the Loan.</p>
Consent to Boundary Realignment	<p>Where the defined boundaries of a property will be changing. For example:</p> <ul style="list-style-type: none"> client purchasing/selling a portion of their land from/to their neighbour council reclaiming land 	<ul style="list-style-type: none"> Instructions from Broker or Client's Solicitor Copy of the Survey Plan (or equivalent) confirming the new boundary(s) Contract of Sale – If Client is selling portion of land and loan will potentially need to be reduced 	<p>If land size is increasing – generally no.</p> <p>If land size is decreasing, Credit may request updated Short form Valuation report.</p>	Requirement for updated Valuation may also be subject to security type and location.
Consent to Easement	An <i>Easement</i> is a section of land registered on your property Title, which gives someone the right to use or access the land for a specific purpose even though they are not the land owner. E.g. a sewerage Easement to the Council.	<ul style="list-style-type: none"> Instructions from Broker or Client's Solicitor Copy of the Survey/ Strata Plan Copy of any documents requiring Macquarie to execute as Mortgagee 	<p>Case by case basis.</p> <p><i>Refer to BDM for advice.</i></p>	Updated Valuation may be requested by Credit subject to the type of Easement and the possible impact to the security property.

Variation Request Type	Explanation/Example	Documentation Required	Valuation Required?	Any Key Callouts
Consent to Lease	<p>Where a Client rents their property through a scheme, the governing body of that scheme may require the Lease to be registered on the Certificate of Title. For example:</p> <ul style="list-style-type: none"> • DHA – Defence Housing Authority • NRAS – National Rental Affordability Scheme 	<ul style="list-style-type: none"> • Instructions from Broker or Client's Solicitor • Full copy of the relevant Lease 	No	
Consent to Plan of Consolidation	<p>A Plan of Consolidation allows an Applicant to consolidate two or more parcels of land into one marketable parcel. For example:</p> <p>Client owns two properties adjacent to each other. They lodge a Plan of Consolidation to have the two parcels of land merged together under one (1) Certificate of Title.</p>	<ul style="list-style-type: none"> • Instructions from Broker or Client's Solicitor • Copy of the Survey Strata Plan • Copy of any documents requiring Macquarie to execute as Mortgagee 	<p>Yes – for all lots being retained as security.</p> <p>Broker to order valuation report as per normal process.</p> <p>Short Form report only acceptable.</p>	
Consent to Positive Covenant	<p>Positive Covenant is essentially a promise to do or maintain something after a property has been purchased. For example:</p> <p>Maintaining a storm water retention tank that your neighbour needed to install to stop your property potentially being flooded in bad weather. The positive covenant is your neighbour's "promise" to maintain that water retention tank.</p>	<ul style="list-style-type: none"> • Instructions from Broker or Client's Solicitor • Copy of the Survey Strata Plan • Copy of any documents requiring Macquarie to execute as Mortgagor 	Case by case basis	Just as we can receive requests to lodge a Positive Covenant, we may receive a request to remove a Positive Covenant once the terms of that Covenant have ended.
Consent to Right of Way	<p>A Right-of-Way is a type of Easement that gives someone the right to travel across property owned by another person (see also – Consent to Easement).</p>	<ul style="list-style-type: none"> • Instructions from Broker or Client's Solicitor • Copy of the Survey Strata Plan • Copy of any documents requiring Macquarie to execute as Mortgagee 	<p>Case by case.</p> <p><i>Refer to your BDM for advice.</i></p>	

Variation Request Type	Explanation/Example	Documentation Required	Valuation Required?	Any Key Callouts
Consent to Second Mortgage	Where another Lender requests to be noted on the Client's Certificate of Title behind our first Mortgage, as Second Mortgagee – e.g. is a Family Guarantee scenario where another Lender approves a loan and the parents of the children have a loan with Macquarie.	<ul style="list-style-type: none"> Email request from Broker Cover letter from Second Mortgagee which must include: <ul style="list-style-type: none"> Mailing address and contact details of Second Mortgagee Amount of Second Mortgage Proposed loan term Indicative interest rate Indicative repayments Signed Privacy Act or authority from our Clients 	No	Unsatisfactory conduct on our facility may result in Second Mortgage "Consent" being denied.
Consent to Subdivision	Where a Client wishes to subdivide a parcel of land into smaller individual lots which will have their own Certificates of Title. (see also Consent to Strata).	<ul style="list-style-type: none"> Instructions from Broker or Client's Solicitor containing: <ul style="list-style-type: none"> Confirmation of lots that will be retained as security Updated Valuations on all lots being retained as security Copy of the Survey Plan or equivalent, confirming individual lot information and boundaries Copy of any documents requiring execution by Macquarie as Mortgagee Completed Discharge Authority for any lots that are to be released upon registration of the Sub-Division 	<p>Yes – for all lots being retained as security.</p> <p>Broker to order valuation report as per normal process.</p> <p>Short Form report only acceptable.</p>	<ul style="list-style-type: none"> LVR can increase case by case, subject to standard security and LVR requirements under home loans lending guidelines. During a construction loan, subdivision requests are generally not considered. Construction should be finalised first, so completed properties can be individually valued
Consent to Transmission of Title - Bankruptcy	<p>The acquisition of Title to, or interest in land, consequent on the Death or Bankruptcy of a Proprietor of the land.</p> <p>This provides the Executor or Trustee the right to deal with that property (e.g. place it on the market for sale).</p>	<ul style="list-style-type: none"> Email request from Broker Cover letter from Solicitor or Bankruptcy Trustee Certified copy of the Trustee Appointment VOI/ZIP ID if Trustee is individual and requires authority 	No	<p>If loan is SMSF or under Company/ Trust structure, full Internal Refinance may be required – scenario clarification should be sought from your BDM.</p> <p>Matter should also be referred to Macquarie's internal Hardship team.</p>

Variation Request Type	Explanation/Example	Documentation Required	Valuation Required?	Any Key Callouts
Consent to Transmission of Title - Deceased Estate	<p>The acquisition of Title to, or interest in land, consequent on the Death or Bankruptcy of a Proprietor of the land.</p> <p>This provides the Executor or Trustee the right to deal with that property (e.g. place it on the market for sale).</p>	<ul style="list-style-type: none"> Email request from Broker Cover letter from Executor or Solicitor acting for Estate Certified copy of the Death Certificate Certified copy of the Will (if joint Tenants) Certified copy of Probate (if Tenants in Common) Copy of the Transmission/ Survivorship Application 	No	<p>If loan is SMSF or under Company/ Trust structure, full Internal Refinance may be required – scenario clarification should be sought from your BDM.</p> <p>Matter should also be referred to Macquarie's internal Hardship team.</p>
Conversion to Interest Only repayments or Extension to existing Interest Only period	Client wishes to change their repayments from Principal and Interest to Interest Only or extend their current Interest Only term.	<ul style="list-style-type: none"> Email request from Broker Completed and signed Variation Application form Updated financial information Completed Serviceability Calculator 	No - See Key Callout notes.	<p>Maximum LVR for conversions or extension to I/O is 80%.</p> <p>Change in rate may occur for conversions.</p> <p>Interest Only term is not available in the last 20 years of the loan term.</p> <p>Where the original LVR was greater than 65% an updated valuation must be conducted to ensure the current LVR does not exceed 80%. Rates notices and AVM reports can be used but AVM's must have an FSD of 10% or better. Where an AVM or rates notice is not available or suitable, the valuation requirements of the Home Loan Credit Policy apply.</p>
Partial Discharge	Request to release a security property from a loan facility, where multiple security properties are being held and Client does not wish to fully discharge the loan.	<ul style="list-style-type: none"> Email request from Broker Completed and signed Discharge Authority Indicative settlement statement from Client's Conveyancer/Solicitor (where full net sale proceeds are collected) Updated Valuations for all remaining securities Instructions for limit reductions on facility if required 	<p>Yes</p> <p>Broker to order valuation report as per normal process.</p> <p>Currently EVR and AVM reports acceptable for new platform loans.</p> <p>Short form valuations generally required for old platform loan however please refer to your BDM for clarification on individual scenarios</p>	<p>If LVR will be increasing as part of Partial Discharge request, full re-assessment with updated documentation is required.</p> <p>If collecting full net sale proceeds and LVR will still be increasing, in addition to full reassessment, Credit may request valuation on property being sold, to confirm being sold for fair market value.</p> <p>If Partial Discharge request relates to a Family Guarantee loan where parent's property is being released, signed request from all parties also required to seek removal of parents as Guarantors.</p> <p>If investment property is being refinanced and not sold, Credit will advise case by case if they require any updated servicing to be carried out.</p> <p>Partial discharges – Where loan conduct is deemed unsatisfactory, Credit may request full net sale proceeds to be collected and used to reduce the client's debt.</p>

Variation Request Type	Explanation/Example	Documentation Required	Valuation Required?	Any Key Callouts
Registration of Strata Plan	<p>The Strata Plan is a subdivision of a parcel of Real Property land into separate lots and “common” property that can be accessed by all owners within the Strata Complex.</p> <p>For example: After building duplexes, a Client may wish to subdivide and “Strata” the properties, as opposed to all land being divided into separate “Free-hold” Certificates of Title.</p>	<ul style="list-style-type: none"> • Instructions from Broker or Client’s Solicitor • Copy of the Survey Strata Plan • Copy of any documents requiring Macquarie to execute as Mortgagee 	<p>Case by case.</p> <p>Refer to BDM for advice</p>	
Removal of Borrower	<p>Where an existing party to the loan is removed, leaving any remaining borrower(s) liable for the entire debt.</p>	<ul style="list-style-type: none"> • Email request from Broker • Completed and signed Variation Application form from remaining Borrower • Updated financial information from remaining Borrower • Copy of signed Court Order or Separation Agreement (If due to Divorce) • Confirmation of funds available to complete (if payment required to Borrower being removed) • Completed Serviceability Calculator 	<p>No – If no additional funds are being sought.</p>	<ul style="list-style-type: none"> • New platform – Internal refinance required if Removal of Borrower scenario also includes additional lending (i.e. Principal Increase) OR LVR is increasing above 80%. • If loan is SMSF or under Company/Trust structure, full Internal Refinance may be required – scenario clarification should be sought from your BDM. • If a borrower is being removed who is on title, they must also be removed from title. • There must be at least one natural person remain as a borrower or guarantor.
Removal of Guarantor	<p>Not always, but usually in conjunction with another request. For example: Partially discharging parent’s property from a Family Guarantee loan and removing parents as Guarantors.</p>	<ul style="list-style-type: none"> • Email request from Broker • Signed request from all parties to the loan • Additional requirements may be requested by Credit 	<p>No</p>	<p>Refer to BDM for scenario advice.</p> <ul style="list-style-type: none"> • Where Company name or Trust is party to the loan, case by case Credit may require scenario to be processed as a full Internal Refinance (see also Partial Discharge for Family Guarantee scenarios). • Updated servicing will be requested where Guarantor’s income was used for servicing at origination. • Natural person must remain as a borrower or guarantor.
Removal of Mortgagor	<p>Most commonly between spouses/de-factos – where a request is received to remove an existing party to the loan from the Certificate of Title.</p>	<ul style="list-style-type: none"> • Instructions from Broker or Client’s Solicitor • Copy of the proposed Transfer (confirming if any priority is required to be paid between the parties and the reason for the Removal/ Transfer) 	<p>No – If no additional funds are being sought.</p>	<p>Mortgagor is also a Borrower? Removal of Borrower must also be submitted (exception considered for Spouses or De-facto relationships).</p> <p>Mortgagor is also a Guarantor? Request for Removal of Guarantor must also be submitted.</p>

Variation Request Type	Explanation/Example	Documentation Required	Valuation Required?	Any Key Callouts
Substitution of Security	A request to substitute an existing security property for a new property being purchased or already owned unencumbered.	<ul style="list-style-type: none"> Instructions from Broker or Client's Solicitor Full copy of Contract of Sale – Property being purchased or copy of CT if already held unencumbered Front page of Contract of Sale – Property being sold (to confirm sale price) 	<p>Yes – For new security and any existing securities that will remain.</p> <p>Broker to order valuation report as per normal process.</p> <p>COS, EVR and AVM reports acceptable in accordance with the requirements for these valuation types as set out Macquarie's lending guidelines.</p>	<p>If loan amount and/ or LVR is to increase, additional requirements to be submitted:</p> <ul style="list-style-type: none"> completed and signed Application form from all parties relevant financial documents. <p>For a Family Guarantee loan, security substitution will only be considered on the parents "pledged" property.</p> <p>Signed DA is not required for a Substitution of Security.</p> <p>Internal Refinance required if substitution scenario also includes additional lending (i.e. Principal Increase) OR LVR is increasing above 80%.</p>

Hints and tips

- For most scenarios, valuation types are acceptable in line with Macquarie's home loan lending guidelines.
- This document and valuation requirements should be used as a guide only. Based on the individual scenario, Credit may request additional information/documentation.
- Scenarios may require a combination of requests to be considered and approved. Examples include:
 - consent to subdivision and partial discharge
 - consent to subdivision and strata
 - consent to removal of borrower and mortgagor.
- In this document, the term "full re-assessment" does not refer to an internal refinance. It refers to the client being required to provide updated personal/financial information and relevant supporting documents for the variation requested. Where an internal refinance is required, it will be noted as such.
- Where a loan has had LMI/LDF capitalised at origination, the maximum "like for like" LVR for a variation will generally be the non-capitalised LVR (i.e. base LVR).
- The credit analyst will contact the broker via phone or email to advise them that the application has been approved or declined.
- any increase in LVR will be capped at 80%. Higher LVRs can be considered through an internal refinance.
- If a request is urgent, please get in touch with your BDM or the Broker Support team.

FAQs

- Q:** I have original documents that I require the lender to sign. Where should they be sent?
- A:** Any documents or plans that require execution by the lender can be sent to our Panel Solicitors post formal approval, noting your application reference number.
- Q:** After Approval/Consent is granted, what are the next steps?
- A:** We will process your matter, and you will receive correspondence from either our Panel Solicitor or internal teams confirming next steps.
- Q:** What are the fees applicable for different types of variation requests?
- A:** Refer to the table below.

Fee Type	Amount
Fixed Rate request	\$0
Interest Only request	\$250
Account Split request	\$0
General Consent/Variation	\$250
Product Conversion	\$250
Panel Solicitor Fee	Up to \$330 + GST
Limit/Balance Transfer (within facility)	\$0
Additional Valuation Fee Amount	May be applicable
Government Registration Fees Amount	May be applicable

- If Clients are on a "Packaged" or Offset home loan, they are entitled to one free variation per year, which can be used to cover 1 of the above fees
- (Panel Solicitor Fee) – Additional costs may be charged for complicated matters with multiple properties and/or where a PEXA settlement takes place
- General Consent/variation fee includes the cost of one (1) standard Valuation. Additional Valuation fee of \$200 may be applicable for second and subsequent properties

Q: Can a borrower be added to an existing loan?

A: Adding a borrower to an existing loan requires a full internal refinance.

Q: The loan is Fixed/has a Fixed rate portion. Are we able to consider a variation?

A: Yes. Most “non-monetary” variations can be considered on a fixed rate loan, where the loan is not being reduced or the account structure altered. Even a Removal of Borrower or Substitution of Security can be considered.

Q: What is the maximum LVR for variations?

A: Generally, maximum LVR will be in line with the originations credit policy (eg type of property, what category the property is). Where an LVR is to increase as part of a variation, updated servicing will be required for old platform insured loans.

INV to O/O and O/O to INV conversions

customersolutions@macquarie.com or 1800 007 722

- INV to O/O conversion – signed declaration by clients required (supporting evidence may be required such as council rates notices or utilities bill). Originating broker can submit on client’s behalf.
- O/O to INV conversion – request taken over recorded call from client. Originating broker (or a representative from their office) can enquire only.

Account split requests and other post settlement enquiries

mortgages@macquarie.com or 1800 007 722

- Originating broker (or a representative from their office) can enquire **only**.
- Instructions must be taken from client on a recorded call.

Post-settlement requests – who manages each process if not Broker Support or Customer Solutions?

Interest rate enquiries

customersolutions@macquarie.com or 1800 007 722

- Originating broker (or a representative from their office) can enquire about Variable/Fixed rates and Principal and Interest conversions, however we can only take instructions from the broker to alter Variable rates.
- Instructions/Authority for Fixed rates/Principal and Interest conversions must be given by the client over recorded call.

Product change requests

customersolutions@macquarie.com or 1800 007 722

- Originating broker (or a representative from their office) can enquire **only**.
 - Instructions must be taken from Client on a recorded call (refer below for conversion matrix).
1. Basic to Offset (MBL Brand only) – process initiated over the phone with the Customer Solutions/Retentions team.
 2. Basic to Offset (Non MBL Brand) – internal refinance required.
 3. Offset to Basic – process initiated over the phone with the Customer Solutions/Retentions team.

N.B. points 1, 2 and 3 – variation notices are issued to clients to be signed.