Land Lease Home Loan Target Market Determination (TMD)

About this document

This target market determination (TMD) applies to Land Lease Home Loans and is a document of Land Lease Home Loans Pty Ltd ACN 642 684 053 (**LLHL**). Land Lease Home Loans Pty Ltd ACN 642 684 053, holder of Australian Credit Licence 546781 is the manager of loans made by LLHL Mortgages Pty Ltd ACN 644 428 204.

This TMD seeks to offer customers, staff, and other interested parties an understanding of the class of customers 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 product's terms and conditions and is not intended to provide financial advice. Customers must refer to the terms and conditions, product guide and any supplementary documents which outline the relevant terms and conditions under the product when making a decision about this product.

Effective date: 11th July 2026

Target Market

Class of customers that fall within this target market

The information below summarises the overall class of customers that fall within the target market for a Land Lease Home Loan.

This Land Lease Home Loan has been designed for customers whose likely objectives, financial situation and needs (as listed below) are aligned with the product key attributes. The Land Lease Home Loan is for those individual customers who are 18 years or over and are an Australian resident seeking a loan for the purpose of purchasing a land lease home in a Hampshire Village, where the land lease home and the site agreement are used to secure the loan.

Product description and key attributes

The key eligibility requirements and product attributes of this Land Lease Home Loan are:

Key eligibility criteria:	• Customers must be residents of Australia with a maximum of two customers being able to apply under one loan. • For owner occupied: all parties of the site agreement with Hampshire must also be borrowers. • For investor(s): the borrower(s) (i.e. the investor) must be listed as tenants/parties of the site agreement with Hampshire Villages and the tenant of the investor must be listed as approved occupants on the site agreement. • Over the age of 18 applies.
Property criteria:	• The land lease home (home) must be located within a Hampshire Village. • The home must be unencumbered. • The site agreement must be in an acceptable form. • Resale home minimum valuation $200,000 with the interior and exterior of the home must be in good condition: assessment will be made at pre-approval stage.
Loan amount and term:	• Minimum loan amount is $20,000. • Maximum loan: $500,000 subject to a maximum Loan to Value Ratio (LVR) of 80%. • Term of loan can be up to a maximum of 30 years.
Interest rate and fees:	• Interest rate is variable and subject to change. Please refer to the Interest Rates page on our website for the current interest rate and fees. Interest is compounding (calculated daily and payable monthly). • An account keeping fee and establishment fee apply, and other fees may be applicable for settlement, valuation and other product options.
Loan structure:	• Provided the loan is not in default, the total loan amount is repayable in accordance with the repayment schedule provided in your credit contract and otherwise at the end of the term. • A balloon payment of up to one third of the loan amount may be payable at the end of the term, subject to lending criteria. • Interest only for 5 years may be available, subject to lending criteria.

Objectives, financial situation, and needs of consumers in the target market

This product has been designed for individuals who meet the following criteria:

- Need an amount of finance to enable them to purchase a land lease home in a Hampshire Village.
- Have a deposit amount of at least 20% of the purchase price.
- Able to provide security of an unencumbered land lease home in a Hampshire Village.
- Meet the serviceability measures. Serviceability will be calculated on a per annum basis over the term of the loan against all sources of income (including income, superannuation and/or age pension (noting age pension alone is ineligible)) and expenses.

    - Serviceability measures include:

    - Uncommitted Monthly Income (UMI) >$0 including a sensitised interest rate of
    - +3.0% p.a. and variability of expenses and income over the term.
    - No more than one third of the loan can be treated as a balloon payment at the end of term, if applicable.
    - Debt to Income (DTI) of <5.0x.

- Have an Equifax credit score of good or greater.

- Meet the responsible lending requirements. Illion (bankstatements.com.au) flags certain types of expenditure (such as gambling). If any of these flags are present, further inquiries will be made to determine if the individual is eligible.

Excluded class of customers

This product has not been designed for individuals who are:

- Are under 18 years old;
- Looking for a purpose other than to purchase a new or resale home in an a Hampshire Village;
- Not or do not intend to reside in a Hampshire Village;
- Guarantors;
- Companies or trustees;
- Equifax credit score below good, including any undischarged bankruptcies.

Consistency between target market and the product

The Land Lease Home Loan is consistent with the likely objectives, financial situation and needs of the class of customer in the target market as this is a niche offering where the loan is provided to suit primarily individuals still working who have an income stream to service the loan, have a deposit of at least 20% of the purchase price, and are seeking to buy a home in a Hampshire Village.

Distribution

Distribution channels

This product is designed to be distributed through the following means:

- Direct LLHL authorised representatives only who are trained in the distribution of this product by this TMD and the LLHL application process. Initial contact can be online through LLHL website, email, phone, or in person.

Distribution conditions and restrictions

This distribution of this product is subject to the following conditions and restrictions:

- The LLHL application process is tailored to identify individuals that meet eligibility criteria described in the TMD for this product, individuals that have the appropriate borrowing capacity, and in accordance with LLHL lending guidelines.

- This product is only offered directly by LLHL authorised representatives who follow the outlined TMD to ensure the customers who are provided this product are in the class of customers for which it is designed.
- LLHL considers the distribution conditions and restrictions are reasonably likely to result in the product being distributed to consumers within the target market because all applications are assessed against the target market eligibility criteria, borrowing capacity requirements and LLHL lending guidelines by trained LLHL representatives before a loan is offered. This process is intended to identify consumers for whom the product is suitable and reduce the likelihood of distribution to consumers outside the target market.

Review of TMD

We will review this TMD in accordance with the below:

Initial review	Within the 12 months of the effective date, next review due date: 11 July 2027.
Periodic reviews	At least every 12 months from the initial review.
Review triggers or events	Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited): ● a material change to the design or distribution of the product, including related documentation; ● occurrence of a significant dealing; ● distribution conditions found to be inadequate; ● relevant external events such as adverse media coverage or regulatory attention; and ● significant changes in metrics, including, but not limited to, complaints, risk tolerance, and lending uptake

Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.

Reporting and monitoring this target market determination

We may collect the following information from our distributors in relation to this TMD.

Complaints	LLHL will report all complaints in relation to the product(s) covered by this TMD within 10 business days of receipt of a complaint. This will include written details of the complaints.
Significant dealings	LLHL will report all complaints in relation to the product(s) covered by this TMD on a monthly basis. This will include written details of the complaints. LLHL will report after becoming aware of a significant dealing in relation to this TMD within 10 business days.