



Target Market Determination: Rural Home Loan

What's a Target Market Determination?

A Target Market Determination (TMD) is a written document that describes the target market for a product (ie, who a product is appropriate for), the key attributes of a product and how a product is being distributed. A TMD also sets out when reviews need to be conducted and the relevant information that is needed by distributors of the products to identify the need for a review. A TMD is not a determination that any person is within the target market for a product. A TMD does not summarise all terms, criteria or obligations associated with a product. For more information about TMDs go to [Target Market Determination | Keystart](#).

TMDs keep customers at the centre of our approach to the design and distribution of our financial products.

#	Criteria	Responses for this product
1	Issuer	Keystart Loans Ltd ACN 009 427 034 (Australian credit licence number 381437) as trustee for the Keystart Housing Scheme Trust exercising the powers and functions of Country Housing Authority (ABN:76 667 185 896) as delegated.
2	Date this TMD is made	4 July 2024
3	Product name	Rural Home Loan
4	Product Description, including, key attributes	Low entry costs – low deposit and no lenders mortgage insurance. No monthly account keeping fees. Loan can be used for range of housing options suitable for farmers and rural business owners, including for purchasing, building or renovating a property. Loan can be used to purchase a rural property for employees and their families.



Weekly, fortnightly and monthly payment frequency options available. There is also an option to tailor repayments for farmers around the timing of seasonal income, including a quarterly or half yearly payment option.

Standard variable interest rate based on the Reserve Bank of Australia's (RBA) cash rate plus a margin. This margin is subject to change. As a variable rate, the rate can go up or down over time in line with any movement to the RBA cash rate and any changes to the margin. Given the low deposit nature of its home loan lending, Keystart's interest rates policy enables it to manage lending risk responsibly.

No redraw available.

Up to maximum 30 year term.

Ability to make additional repayments at no extra cost.

Properties situated in the Perth metropolitan area and major Western Australian regional centres, including their urban sprawl (as specified in the Country Housing Authority credit approval criteria), are not eligible for Country Housing Authority finance.

Rural Home Loan is a product of Country Housing Authority.

5	Description of the retail class that comprises the target market	The product has been assessed as meeting the likely objectives, financial situation and needs of consumers who: <ul style="list-style-type: none">• satisfy our eligibility criteria• are farmers and rural business owners• don't have the deposit required by other lenders with a similar product• don't want to pay lenders mortgage insurance• want to purchase, build or renovate an owner occupied rural home in Western Australia OR want to purchase a rural property to house employees and their families• want some flexibility in the type of rural property housing• ability to pay off the loan as quickly as possible and increase equity in the home by making additional payments at no extra cost.
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This product meets the likely objectives, financial situation and needs of consumers in the target market because it enables consumers in the target market to:

- purchase, build or renovate an owner occupied rural home or a rural property to house employees and their families sooner by lowering the entry costs with low deposit requirements and no lender's mortgage insurance
- for fully funded loans, build equity in their property by making principal and interest repayments, including additional repayments at no extra cost.

6 Negative target market

This product may not be suitable for consumers who:

- are investors
- require a fixed interest rate
- are living outside Western Australia
- are purchasing a property in metro or major regional centres
- do not satisfy our eligibility criteria.

7 Description of distribution conditions and restrictions

Distribution Methods:

Direct (online, in-person or by phone):

Keystart's contact centre team take direct calls, and walk ins from potential applicants. Our home loan specialist attend regional events to provide general information about Keystart's products. Only our home loan specialists assist applicants with applying for our home loan products. Home loan specialists have the necessary training, skills and knowledge to assess whether the consumer is within the target market.

Distribution Conditions:

Direct (online, in-person or by phone):

- Adequate and ongoing training to our customer facing staff on the promotion and distribution of our products in accordance with our target market determination
 - A consistent channel for complaints is publicly available
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- No incentives or commission paid to our home loan specialists
 - Our team is monitored via specific KPIs, e.g., deferral rates and net promotor score.
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8 Review triggers

A review will be triggered if:

- a significant dealing of the product to consumers outside the target market occurs
 - a significant increase, beyond expected levels, in the number of complaints or disputes received from customers in relation to the product (*i.e. 10% increase compared to expected levels*); a significant number of customers are in default at the early stages of the loan.
 - a significant number of hardship applications occur due to customers being outside of the target market of the product (*i.e. over 10% of all hardship applications*).
 - a material change to the product or the terms and conditions of the product or the distribution of the product occurs, which would cause this Target Market Determination to no longer be appropriate.
 - there are changes in law or its application, relevant industry codes, AFCA determinations, court decisions or regulatory guidance.
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9 Review Periods

Periodic reviews: to be completed at least every 24-months from the date of the previous review.

Review triggers: to be completed within 10 business days of a review trigger occurring that reasonably suggests that the TMD is no longer appropriate.



10 Distribution Information Reporting Requirements

The following information must be provided to us to our complaints management team by distributors who engage in retail product distribution conduct in relation to this product:

Type of information	Description	Reporting period
Specific Complaints	Details of the complaint including name and contact details of complainant.	As soon as practicable and within 10 business days of receipt of complaint.
Complaints	Number of complaints.	Every 3 months
Significant dealing(s)	Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD).	As soon as practicable, and in any case within 10 business days after becoming aware.