

## Target Market Determination: Urban Connect Plus

### 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](#). You can read more information about [Urban Connect Plus here](#).

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 ABN 74 917 542 588 (Australian Credit Licence Number 568102)  |
| 2 | Date this TMD is made                         | 1 July 2025  |
| 3 | Product name                                  | Urban Connect Plus   |
| 4 | Product Description, including key attributes | <p><u>Objective</u></p> <p>Loan to assist customers to pay the deposit they owe a developer under an off-the-plan apartment sale contract. This is not a loan for the full purchase price of the apartment.</p> <p><u>Product eligibility</u></p> <p>Only available to people wanting to live in and own a home in Western Australia.</p> <p>Available only for developments of off-the-plan apartments that are:</p> <ul style="list-style-type: none"><li>• in a complex with two storeys or more.</li><li>• located within:<ul style="list-style-type: none"><li>○ inner metro (an approximate radius of 15km from the CBD);</li><li>○ suburbs and intersecting suburbs within 2km from nominated metropolitan train stations (excludes Peel and Mandurah).</li></ul></li></ul> |



| # | Criteria | Responses for this product   |
|---|----------|--|
|   |          | <p>To be eligible to access this loan, customers will be assessed on their ability to afford a loan for the full purchase price of the off-the-plan apartment, based on their current circumstances. While this will form part of the assessment for the Urban Connect Plus Loan, customers will still need to apply for separate finance for the balance of the purchase price when it becomes payable and be assessed again at that time.</p> <p>Income limits and off-the-plan apartment price limits apply, which may vary, depending on whether the customer is:</p> <ul style="list-style-type: none"><li>• a single person without dependent children.</li><li>• a couple, or siblings.</li><li>• a couple with dependent children.</li></ul> <p><u>Loan Attributes</u></p> <p>Low entry costs.</p> <p>No monthly account keeping fees.</p> <p>Weekly, fortnightly and monthly payment frequency options available.</p> <p>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.</p> <p>Principal and interest repayments.</p> <p>Ability to make additional repayments at no extra cost.</p> <p>No redraw facility.</p> <p>Loan term of up to five years however, this may vary depending on the nature of the development, amount of the loan and affordability.</p> <p>Ability to refinance to the Urban Connect Home Loan upon completion of the sale of the off-the-plan apartment.</p> <p>Upon the completion of the sale of the off-the-plan apartment, Keystart will acquire a security interest in the apartment unless this loan has been refinanced or repaid in full.</p> |



| # | Criteria  | Responses for this product   |
|---|---|--|
| 5 | <b>Description of the retail class that comprises the target market</b> | <p>The product has been assessed as meeting the likely objectives, financial situation and needs of customers who:</p> <ul style="list-style-type: none"><li>• satisfy our eligibility criteria.</li><li>• don't have the ability to fund the upfront costs (i.e. deposit) to a developer prior to the purchase of an off-the-plan apartment.</li><li>• want to live in an apartment in more urban locations in the Perth metropolitan area, rather than single detached homes on a single block.</li><li>• require flexibility including:<ul style="list-style-type: none"><li>○ ability to pay off the loan as quickly as possible by making additional payments at no extra cost; and</li><li>○ interest rates being variable, meaning it may increase or decrease.</li></ul></li></ul> <p>This product meets the likely objectives, financial situation and needs of customers in the target market because it enables customers in the target market to:</p> <ul style="list-style-type: none"><li>• facilitate the purchase of an off-the-plan apartment, for customers to occupy, by providing access to funding to pay the upfront costs (i.e. deposit) owed to a developer.</li><li>• seek finance for the balance of the purchase price for the off-the-plan apartment, to complete the sale, through either the Urban Connect Home Loan or from another financial institution.</li><li>• consider refinancing the balance of this loan into either the Urban Connect Home Loan or another financial institution, upon the completion of the sale.</li></ul> |
| 6 | <b>Negative target market</b>   | <p>This product may not be suitable for customers who:</p> <ul style="list-style-type: none"><li>• are unable to afford a loan for the full purchase price of an off-the-plan apartment (<i>based on their circumstances at the time of applying for this loan</i>).</li><li>• are not wanting to purchase an off-the-plan apartment.</li><li>• are investors.</li><li>• require a fixed interest rate.</li><li>• require a redraw facility or an offset account.</li><li>• require a guarantor for the loan.</li><li>• are living outside Western Australia.</li><li>• are looking for a single standalone dwelling on a single block.</li><li>• do not otherwise satisfy our eligibility criteria.</li></ul>   |



| # | Criteria  | Responses for this product   |
|---|---|--|
| 7 | Description of distribution conditions and restrictions | <p><b>Distribution Methods:</b><br/><u>Direct (online, in-person or by phone):</u><br/>Keystart's contact centre team take direct calls, and walk ins from potential applicants. Our home loan specialists also attend seminars and presentations 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 customer is within the target market.</p> <p><b>Distribution Conditions:</b><br/><u>Direct (online, in-person or by phone):</u></p> <ul style="list-style-type: none"><li>• Adequate and ongoing training to our customer facing staff on the promotion and distribution of our products in accordance with our target market determination.</li><li>• A consistent channel for complaints is publicly available.</li><li>• No incentives or commission paid to our home loan specialists.</li><li>• Our team is monitored via specific KPIs, e.g., deferrals rates and net promotor score.</li></ul> |
| 8 | Review triggers   | <p>A review will be triggered if:</p> <ul style="list-style-type: none"><li>• a significant dealing of the product to customers outside the target market occurs.</li><li>• a significant increase, beyond expected levels, in the number of complaints or disputes received from customers in relation to the product (<i>i.e. 10% increase compared to expected levels</i>); a significant number of customers are in default at the early stages of the loan.</li><li>• a significant number of hardship applications occur due to customers being outside of the target market of the product (<i>i.e. over 10% of all hardship applications</i>).</li><li>• 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.</li><li>• there are changes in law or its application, relevant industry codes, AFCA determinations, Court decisions or regulatory guidance.</li></ul>   |
| 9 | Review Periods  | <p><u>Periodic reviews:</u> to be completed no later than 24 months from the date of the previous review.</p> <p><u>Additional Review:</u> at the end of the pilot phase (two-year period or up to 300 loans, whichever occurs first) of the Urban Connect Home Loan product.</p> <p><u>Review triggers:</u> to be completed within 10 business days of a review trigger occurring that reasonable suggests that the TMD is no longer appropriate.</p>   |



## # Criteria

## Responses for this product

- 10**      Distribution Information      The following information must be provided to us through our complaints management team by distributors who  
Reporting Requirements      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 and substance of the complaint.                             | 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 |