Target Market Determination (TMD)

Bridging Home Loan

Issued by Firstmac Limited ("Firstmac")
ABN 59 094 145 963 and Australian Financial Services and Australian Credit Licence 290600

Effective Date: 15 October 2026

This Target Market Determination (TMD) has been prepared in accordance with the Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019 (Cth) and associated Regulations.

TMDs are designed to assist issuers to ensure that the financial products they issue are likely to be consistent with the likely objectives, financial situation and needs of the consumers for whom they are intended (the target market) and to assist distributors to ensure that financial products are distributed to the target market.

This document does not provide a complete description of all product features, fees, or terms of the product. Consumers acquiring this product should carefully read the 'Loan Contract Terms and Conditions' before deciding whether to proceed with the product.

This TMD is general in nature and should not be construed as financial advice. Consumers should obtain independent advice prior to acquiring the product to ensure that it is appropriate for their particular objectives, financial situation and needs.

1. Product

Bridging Home Loan – a fixed rate home loan for customers who want to settle the purchase of a new owner-occupied property prior to the sale of an existing property.

2. Target Market

This product is likely to be consistent with the needs, objectives and financial situation of customers in the target market who want to borrow money to:

- Purchase a new owner-occupied property prior to the sale of an existing property, where the existing property is to be sold within 12 months.

Key Product Attributes

The following are the key attributes of this Product:

- Maximum loan amount of A$3,000,000[1] at settlement and $3,000,000[1] following the sale of the existing property, and a minimum loan amount of A$50,000 at settlement.
- Maximum Loan to Value Ratio (LVR) of 80%[1].
- Minimum loan term of 15 years and maximum loan term of 30 years.
- A bridging period of up to 12 months.
- A fixed interest rate that is fixed during the bridging period, which reverts to a variable interest rate home loan once the fixed bridging period is complete.
- No repayments during the bridging period, with monthly interest charges capitalised to the loan.
- Available for owner occupied purchases only.
- Fees and charges include:
  - Bridging Fee
  - Settlement Fee
  - Government Fees and Charges

1. Loan amount and LVR sub-limits may apply based on security location, security type and/or repayment type.

    - Discharge Fees
    - Other fees and charges may apply, as set out in the loan contract.
- At the conclusion of the fixed bridging period, the loan will revert to a Standard Home Loan (see Standard Home Loan TMD).

Additional Product Attributes – Fixed Interest Rate

This interest rate option is likely to be appropriate for consumers within the target market who:

- Want a home loan where the interest rate is fixed during the bridging period.
- Make additional repayments limited to $10,000 per calendar year.
- Understand this option does not allow for redraw of any extra repayments during the fixed term.
- Understand that a Break Fee may apply if all or part of the loan is converted to a variable interest rate, or if all or part of the loan (more than $10,000 per calendar year) is repaid during the fixed rate period (not applicable during bridging period).

A fixed interest rate is the only interest rate option available during the bridging period.

Additional Product Attributes – Interest Only Repayment

This repayment option is likely to be appropriate for consumers within the target market who:

- Want the ability to pay interest only on the outstanding loan balance for the term of the interest only period.
- Understand that they may pay more interest over the life of the loan by not paying down the principal during the interest only period.
- Understand that repayments will revert to principal and interest at the conclusion of the interest only period.
- Understand that interest only repayments can only be made monthly.

During the bridging period the monthly interest charge is capitalised to the loan. However, on conclusion of the bridging period borrowers may apply for an additional interest only period where monthly non-capitalising interest only repayments will be required.

Additional Product Attributes – Variable Interest Rate

This interest rate type is likely to be appropriate for consumers within the target market who:

- Want a home loan where the interest rate and associated repayment amount can change at any time during the loan term.
- Want flexibility to make unlimited additional payments.
- Want the ability to redraw extra payments made over the minimum amount.

A variable interest rate is not available during the bridging period.

Attributes of a 100% Offset Sub-Account (optional)

This loan feature is appropriate for consumers within the target market who:

- May have additional funds and wish to use those funds to reduce the interest payable on their loan whilst retaining access to the funds.
- Want the balance in the sub-account to be offset against the amount owed on the home loan when calculating the interest.
- Want the availability of a Visa Debit Card to access those funds (refer to Visa Debit Card TMD).
- This feature is only available for variable interest rate options.

An offset sub-account is not available during the bridging period.

Key Eligibility

The key eligibility criteria of this Product are:

- Individuals 18 years or older at the time of application.
- Applicants who:
  - Are Australian or New Zealand citizens who are living & working in Australia or New Zealand, or
  - living and working in Australia and have permanent residency status.
- Have an acceptable credit rating, ongoing and stable employment and meet our credit and eligibility criteria including the ability to demonstrate their capacity to repay the loan over a period of time.
- Are purchasing an owner-occupied property to use as security for the loan, and simultaneously refinancing an existing mortgaged property or providing an unencumbered property as additional security.

Consumers for whom this product may not be appropriate

This product is unlikely to meet the needs, objectives and financial situation of consumers who:

- Do not intend to sell an existing property within the 12-month bridging period.
- Require a bridging period of more than 12 months.
- Require a traditional home loan or a loan for construction purposes.
- Require a loan with the option of a variable interest rate during the bridging period.
- Require a loan with principal and interest repayments during the bridging period.
- Require the ability to redraw extra payments during the fixed bridging period.
- Require an offset sub-account during the bridging period.
- Are not an Australian or New Zealand citizen or resident.
- Do not meet our credit or eligibility criteria.
- Cannot demonstrate their capacity to repay the anticipated residual loan after the bridging period has ended and over the proposed remaining term.
- Do not have ongoing income or employment, or receive the majority of their income from government support or child maintenance payments.
- Require a loan greater than $3,000,000 at settlement or $3,000,000 after the sale of a security property, a loan term greater than 30 years, and/or require a loan with Loan to Value Ratio (LVR) greater than 80%.

3. Distribution Conditions

This product is designed to be distributed to consumers through the following channels:

- Firstmac accredited and licensed mortgage brokers (Direct Brokers),
- Accredited and licensed brokers through Firstmac accredited Aggregators (Broker Channel); and,
- Firstmac internal sales staff (Direct Retail Channel).

The distribution channels and conditions are appropriate because:

- Internal sales staff are appropriately trained and have the necessary skills and knowledge to distribute the Product in accordance with this TMD and appropriate monitoring programs are in place, such as call sampling and quality assurance reviews;
- Accredited brokers undertake appropriate training as part of the accreditation and onboarding process prior to being authorised to distribute this product;

- Accredited brokers must demonstrate adequate skills and knowledge to distribute the product in order to meet our accreditation requirements; and
- Accredited brokers are appropriately licenced and are subject to a professional duty to ensure that the Product meets the requirements and objectives of the particular consumer.

Prior to application, the distributor must confirm that the consumer:

- Meets the key eligibility listed above.
- Is seeking to settle the purchase of a new owner-occupied property prior to the sale of an existing property, and has requested a loan size, LVR, term, interest rate type and repayment option that are within the specified product attributes.

4. Review of the Target Market Determination

Initial Review	12 months from the Effective Date detailed above
Periodic Reviews	Every 12 months from the Initial Review date.
Review Triggers	Events that may suggest that the TMD is no longer appropriate, that may result in an earlier review of the TMD include: • Significant changes in metrics that are significantly inconsistent with the intended product performance including: - Material number of requests post settlement for loan features that are not available under this product; - Significant increase in complaints; - Significant or unexpected declined applications or customers in default or hardship when measured against internal metrics. • Material changes to the product such as changes to: - Key attributes or features; - The terms and conditions; - Credit criteria; - Changes to the fees. • Material changes from regulatory requirements; • External events such as media coverage or regulatory feedback that suggest that the target market for the product might not be appropriate; • Significant dealing of the product to consumers outside the target market occurs; • A change in distribution channels or distribution conditions. • A notification from ASIC requiring the immediate stop of the product.

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

5. Reporting

Distribution Information Reporting Requirements

Distributors must provide Firstmac with the following information:

- The details of any complaint received, as well as the number of complaints received in each quarter ending March, June, September and December.
- The details of any breach or incident relating to these distribution conditions received in each quarter ending March, June, September and December.
- Any dealing in the product which is not consistent with the TMD. This information must be provided as soon as practicable, and in any case within 10 business days after becoming aware of the dealing.

Reporting should be directed to customercare@firstmac.com.au