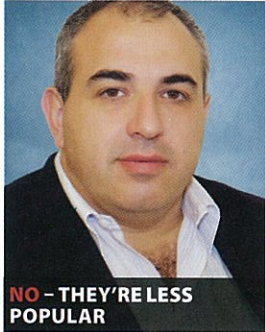


THE WORD

NCCP has divided brokers and increased their workload. Do the new legislation's requirements spell the end of low doc loans? This month we ask...

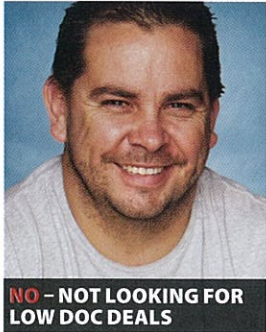
Has NCCP stopped you from writing low doc loans?



NO - THEY'RE LESS POPULAR

RAEL BRICKER
House & Home Loans

"NCCP has changed the way we view clients. Lenders are willing to provide alternative methods of verification which aid the true 'low doc' client whose financials may not be prepared or do not somehow reflect their true position. As long as we can continue to verify that the stated income ties in with a variety of non-traditional income verification sources, then the loans can be written and documented in the same manner as previously. We hardly receive any requests for low doc loans anymore."



NO - NOT LOOKING FOR LOW DOC DEALS

TODD HUNTER
wHere Group

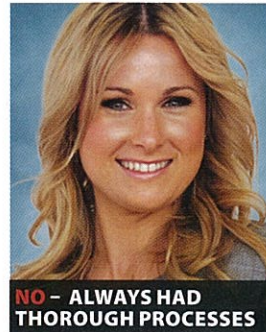
"We were never a big low doc writer to start with. It was only about five per cent of our book. We have been a lot more cautious in writing them, and we have not written any since NCCP was introduced. Our experience is that many low doc deals, when thoroughly investigated, can be full doc deals anyway. We currently have two possible deals on the desk that would be low doc. We are looking at them in conjunction with NCCP regulations. If it is genuinely a low doc deal then we will write it."



YES - ELIGIBILITY HAS DECREASED

PHIL COUCH
Loan Market Group

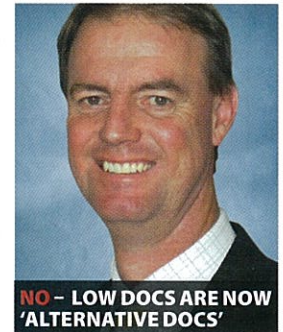
"Previously, I would only write a low doc loan for applicants that were not up to date with their financials and/or their Business Activity Statement (BAS). Now that NCCP requires more evidence to substantiate the income declared by the applicant - by way of trading statements and BAS - the eligibility for this category of applicant has gone from a slight chance to nil. NCCP means applicants must now have their financials and Business Activity Statement up to date."



NO - ALWAYS HAD THOROUGH PROCESSES

VANESSA WENHAM
Vanessa Wenham Mortgage Advisors

"Our typical clients are senior management employees with six-figure salaries, so we don't tend to get many low doc clients. If a low doc application did come across my desk, we have a thorough and documented internal process to determine the income and debt position of the client. The NCCP requirements haven't changed our internal process much as we have always recorded clear audit trails of all communications so that I can confirm how we verified the client's financial position."



NO - LOW DOCS ARE NOW 'ALTERNATIVE DOCS'

SCOTT SHANKS
Loan Market Group

"NCCP has reduced the small number of low doc deals I write. A 'true' self-certified loan now can't be written; however, I am still prepared to write low doc loans if I can satisfy myself as to a client's [financial ability] via alternative means of verifying income. I look at low docs as 'alternative doc' loans. The lenders have their requirements, but just meeting those requirements will not necessarily meet the broker's obligations under NCCP. If I cannot get at least MYOB figures I will not even consider a low doc loan."

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