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Policy

Collateral must be objectively assessed for quality and market value to ensure it is acceptable to the Bank prior to commitment to a transaction. Collateral values must be re-assessed as required to monitor and manage the Bank's exposure.

Valuation methodologies must be adopted that are appropriate to the form of collateral and risk.

Underwriting Standards

Credit decisions are to be based on a current Fair Market Value (FMV) assessment of collateral.

Valuations are to be obtained using the appropriate methodology (refer *5.34.1 - Residential Valuations* or *5.34.2 - Non-Residential Valuations).*

Proposals reliant upon valuations that do not fully comply with the Bank's requirements are to be decisioned by Credit.

Collateral is to be revalued when:

- required by Credit Policies or Underwriting Standards,
- required by the terms and conditions applied to an exposure, or
- there are matters indicating a deterioration in collateral quality or value.

Valuers are to be selected and instructed by the Bank from our list of Panel Valuers; customers are not permitted to select the Valuer.

Unless stated in Underwriting Standards or approved by Credit collateral values are to be recorded in the Bank's systems and used in assessment at the lesser of purchase price or valuation. In the case of construction loans, the collateral values recorded should be the lesser of the valuation estimate or the combined purchase price plus building contract price.

Valuations are to be adjusted to reflect prior ranking security interests and other issues (refer *2.16 - Subsequent Mortgages*).

Valuations are to be adjusted by the appropriate haircut (refer *5.38 - Collateral Assessment*).

Definitions Used in This Underwriting Standard

Term	Definition
Automated Valuation Model (AVM)	External model used by the Bank to provide FMV of residential property value.
Delegated Valuation Authority (DVA)	Authority issued by the Bank to accredited staff to assess FMV of specified agricultural properties.
Desktop Valuation	An assessment of FMV by a Panel Valuer by reference to information sources and without physical inspection.
Fair Market Value (FMV)	An estimate of the sale price on the date of valuation, between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where each party acted knowledgeably, prudently and without compulsion.
Full Valuation	An inspection of the collateral by a Panel Valuer who provides a comprehensive report advising a FMV and identifying relevant risks.

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Term	Definition
"Going Concern" (Goodwill) Valuations	The open market value of a fully operational business as a going concern "walk in walk out" (WIWO), excluding stock. The valuation would usually include land, improvements, plant, equipment, furniture and fittings, and any goodwill associated with businesses operated from the property and all licences. It is provided on the basis that all items are unencumbered and is to include commentary on both a direct comparison and capitalisation basis, and a breakdown of all components, including goodwill, in the final value.
In-One-Line	The valuation of four or more properties/ titles that are adjoining, or in the same development, on the assumption of a single sale "in-one-line" to one buyer.
Linked Exposure (LE)	Credit risk exposures linked to common collateral by Bank approved documentation.
Panel Valuer	A valuer or other professional who has been accredited and appointed by the Bank to complete valuations or other duties on its behalf.
Shaded Collateral Value (SCV)	Collateral value after discounting by a prescribed percentage (haircut).
Valuation Systems	Systems that manage the Bank's valuation processes. For residential collateral valuations, the systems apply the Bank's requirements for the method of valuation, including: • providing an AVM outcome, and • determining which valuer will be instructed for Desktop and Full Valuations.

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Responsibilities

Staff Members are responsible for:

- the correct and accurate input of data to systems, and
- applying the correct valuation method, and
- ordering, reviewing and arranging acceptance of final valuation reports, and
- saving a copy of the assessment in the loan file.

A Staff Member may not:

- downgrade the valuation method required by the Valuation System (e.g. from Residential Full Valuation to AVM)
- request multiple valuations for a property to obtain a more desirable outcome
- selectively value individual properties (where multiple properties are held) to achieve a more desirable outcome
- request a change to the valuer selected by the Valuation System unless for an appropriate reason. Staff Members may change the selected valuer where:
  - two or more collateral valuations are required for the same application in the same area and it is reasonable to use one valuer, or
  - facility is a construction loan and the same valuer is preferred throughout the build process.

  Note: All other requests to change the valuer are to be escalated and decisioned by Credit (these approvals do not qualify as exceptions). The reasons for changing the valuer must be well explained and documented in the loan file.

Confidentiality

Valuation reports are to be addressed to and provided solely for use by the Bank including its mortgage insurer.

Valuations conducted by DVA Holders are not to be released to customers.

Customer’s written requests for copies of valuations are to be handled as follows:

- residential valuations - to be submitted to the Executive Manager Retail Lending,
- other panel valuer reports - may be released by the Staff Member provided relevant Procedures are followed, particularly in relation to payment for the report and issue of disclaimers.

Further Assistance

For more information, discuss with your Leader or contact Credit.

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5.34.1 - Residential Valuations Underwriting Standard

When to Value

New collateral - the valuation must be current (i.e. not older than 90 days from when the decision is being made). Staff Members must be satisfied there are no other reasons to justify a fresh valuation being required, particularly if more than 60 days old.

Existing collateral - valuations are to be re-assessed for all credit decisions (including increases in exposure, variations and where applicable, annual reviews) using the appropriate valuation method other than circumstances noted below.

Unless the Staff Member is aware of factors that may result in deterioration of collateral value, revaluations are not required when decisioning requests for:

- casual overdrafts or limit excesses for ≤30 days, or
- temporary limits or temporary increases to existing limits for ≤90 days.

Valuation Methods

The Bank adopts the following methods:

- Existing Valuation.
- Contract of Sale.
- AVM.
- Desktop Valuation.
- Full Valuation (includes *Short Form* and *Long Form varieties*).

A *Long Form* residential valuation report is required where the Bank's Residential Valuation Standards allow for the provision of a residential valuation by a residential panel valuer, but it cannot be provided as a S*hort form*. Examples include:

- residential houses on rural residential lots >10ha but <=50h,
- residential flats of 3 dwelling in the complex,
- residential properties where the market value exceeds $5M,
- display homes,
- Bank is mortgagee in possession.

The Valuation System (ValEx) will determine the appropriate valuation method by referring to the Valuation Base Rules outlined below.

Existing Valuation Method

Existing Full Valuations may be relied upon for additional lending/ variations for existing customers if they meet all of the following criteria:

- Full Valuation report is dated within the last two years, and
- LVR ≤90% (including LMI) after taking into account the additional exposure, and
- a new AVM valuation confirms the estimated house price is equal to, or more than the market value shown on the Full Valuation report.

ValEx is to be used for all residential collateral valuation requests where the existing Full Valuation cannot be relied upon.

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Full Valuation Validation – Risk Ratings procedures (as outlined below) must be complied with when reviewing and assessing the existing Full Valuation.

Contract for Sale

Where the customer and transaction represent a sound credit risk the Bank may rely on the Contract for Sale value for collateral purposes, subject to the following:

- LVR ≤80%, and
- maximum loan amount of $1M, and
- successful outcome against an AVM.

The Contract for Sale must meet all of the following criteria:

- dated no more than 90 days prior to the decision date, and
- prepared by a licensed real estate agent, solicitor or conveyancing firm and:
    - is a complete and legible copy (inclusive of any special conditions), and
    - is signed by all parties (also refer NSW and ACT below), and
    - confirms the purchase price, deposit paid and settlement date, and
    - details any inclusions/ exclusions, and
    - positively identifies the subject property, and
    - uses a copyright version of a standard contract commonly used in the State/ Territory where the property is located.

<u>NSW and ACT</u>

As the process for conveying real property in NSW and the ACT normally requires finance approval prior to exchanging contracts, a copy of the Contract of Sale signed by all parties is not usually available at the time of application.

To confirm borrowing purpose Staff Members may initially accept an unsigned copy of the pro-forma contract as evidence of purchase price. Loan approval is to be conditional on the Bank receiving prior to settlement a complete and dated copy of the contract of sale confirming all details in the pro-forma and signed by all parties.

Automated Valuation Model (AVM) may be used if all of the criteria below are met:

- valuation is ≤$1.5M (≤$1M for units), and
- LVR ≤75%.

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- **Desktop Valuations** may be obtained when:

LVR ≤80%	LVR ≤90% (including LMI)*
• valuation is ≤$1.5M, and • collateral comprises a single dwelling (house, unit, villa, townhouse) with land area less than two hectares. Desktop Valuations may also be used for property transactions not on the open market (such as those without the intervention of a real estate agent, non-arm's length transactions, transactions between related parties, or developer/ marketing agent prepared contracts) if the above criteria is met.	• valuation is ≤$1.0M, and • involves the purchase of a single dwelling (house, unit, villa, townhouse) with land area less than two hectares. * Refinances are excluded.

Full Valuation must be obtained when:

- an acceptable valuation cannot be obtained using Contract for Sale, AVM or Desktop method,
- LVR >80% and the property transaction is not on the open market, such as those without the intervention of a real estate agent, non-arm's length transactions, transactions between related parties, or developer/ marketing agent prepared contracts,
- the proposal presents a higher risk, for example:
    - the credit exposure is on Watchlist; refer *9.20 – Watchlist,*
    - where the Bank is not first ranking mortgagee,
    - Manager's Unit; refer *4.10 - Management and Letting Rights,*
    - loans to Self Managed Superannuation Funds; refer *4.34 Self Managed Superannuation Funds,*
    - where a customer has 4 or more adjoining properties/ titles (the valuation is to be completed on an In-One-Line basis),
    - where there are inducements such as lease-back arrangements, rental guarantees, furniture packages, rebates, or swaps,
    - where a fully completed, signed and dated contract for sale is not held at time of valuation. (Note that in NSW and ACT a signed copy may not be available until after valuation. Consequently, in NSW and ACT only, loan approval is to be conditioned on receipt of a complete and signed contract prior to settlement),
    - Old System, Qualified or Limited Titles, predominantly occurring in NSW.
- the collateral/ properties present a higher risk, for example:
    - collateral that may only be accepted by Banking Credit; refer *2.12.1 - Collateral - Acceptable, Refer, Unacceptable,*
    - properties with environmental issues; refer *5.22 - Environmental Risk,*
    - heritage listed properties,
    - properties subject to flooding,
    - vacant land,

- properties where reliance is placed on completed/ end value, including construction, renovations, extensions, relocating a dwelling, or building a kit home,
- residential properties ≥2 hectares,
- off-the-plan purchases,
- a property of one title with two or more dwellings (this does not include granny flats),
- multiple units, flats, apartments or houses without individual certificates of title.

A Full Valuation should also be requested where the Staff Member believes any other method may not adequately identify risks and assess market value.

Full Valuation Shortfalls

The Staff Member must advise the customer*, and arrange for the proposal to be re-decisioned and fully documented by the appropriate DCA Holder (refer to Valuation Validation procedure outlined below) if:

- the valuation is ≥5% below the contract/ construction price, or
- the resultant LVR has changed and is >80% (loan exposure divided by lower valuation).

** The Staff Member is to establish direct contact with the customer (not their agent/ broker/ solicitor) to advise them of the variance. A permanent comment is to be made recording details of the conversation, including the customer's response and confirmation that the customer wishes to proceed. Staff Members are to recommend the customer commission an independent valuation of the property. A written acknowledgement of the advice is to be obtained from the customer. A standard form is available for this purpose "Independent Property Valuation Advice" (Located in Microsoft Word-Form Letters-Authorities). A copy of the customer's acknowledgment is to be retained by the Bank.*

Where the valuation is lower than the Owner's Estimate, the application does not need to be referred to the original approver (unless specifically requested by the approver) when:

- the LVR is maintained by a reduction in the amount sought, and
- the proposal continues to have a Net Income Surplus taking into account any increase in other borrowings to finance the shortfall, and
- the valuation has not identified any issue that requires referral to Credit.

Valuation Validation

<u>Risk Ratings</u>

Proposals relying on Full Valuations containing higher risk ratings are to be decisioned as follows (if LVR >80% refer to *2.18 Mortgage Insurance* for additional restrictions relating to loans with LMI):

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Valuation contains the following number of Property Risk Ratings	and the Retail Risk Grade is	the proposal is to be referred to the following for decisioning:
One or two risk ratings of 4 where LVR is ≤80%	≤4	Retail Tier 34, 36.
Three or more risk ratings of 4 where LVR is ≤80%	≤4	Retail Tiers 36, 38 or Small Business Tiers 122, 124 DCA holder.
One risk rating 5 where LVR is ≤80%	≤4	Retail Tier 38 or Small Business Tiers 122, 124 DCA holder.
one or two risk ratings of 4	≤6	Retail Tier 38 or Small Business Tier 124 DCA holder.
one or two risk ratings of 4	≥7	Credit (First Line).
three or more risk ratings of 4	≥1	Credit (First Line).
any risk rating 5	≥4	Credit (First Line).

Comparable Sales

Comparable sales are those listed by a valuer in the Full Residential Valuation Report that are not older than 6 months. Valuations should include at least three settled comparable sales. Should no comparable sales or only one or two be available, and the LVR is ≤80%, Retail Tier 38 or Small Business Tiers 122, 124 DCA holder DCA holders can decision the proposal provided they are satisfied with the reasons for the non-availability and the credit risk remains acceptable. Where Risk Grade is ≤4 and the LVR is ≤80%, Retail Tier 36 can decision. Reasons are to be documented in the customer's file.

Proposals relying on Full Valuations that have not quoted at least three settled comparable sales in the last 6 months and are >80% LVR are to be decisioned by Credit.

Further Assistance

For more information, discuss with your Leader or contact Credit.

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5.34.2 - Non-Residential Valuations Underwriting Standard

When to Value

New collateral - the valuation must be current (i.e. not older than 90 days from when the decision is being made).

Increases, variations and annual reviews:

A reassessment of the currency of non-residential collateral valuations that support relevant exposures is to be undertaken during credit decisions (including reviews) and recorded on file.

Unless the Staff Member is aware of factors which may result in deterioration of collateral value, revaluations are not required when decisioning requests for:

- casual overdrafts or limit excesses for ≤30 days, or
- temporary limits or temporary increases to existing limits for ≤90 days.

The assessment of currency of collateral valuations is to refer to:

- information about the condition, quality and presentation of the collateral gained during the most recent visit, and
- the latest up to date financial data for going concern valuations, yields, carrying capacity, commodity prices, industry trends, etc. as appropriate for rural property valuations, and
- recent comparable sales and discussions with appropriate panel valuers/ consultants, and
- other factors as relevant to the nature of the security.

Revaluations are to be obtained where:

- the above assessment does not support the most recent valuation, or
- there is evidence of deterioration in credit quality, or
- required by the terms and conditions applied to an exposure, or
- directed by Credit , Portfolio Quality Review, Business Customer Support, or Customer Assist.

In addition to the above criteria, revaluations are also to be obtained where the existing valuation is greater than 3 years old, unless the following criteria are met:

- the valuation is not greater than 5 years old, and
- the market value of the collateral property is ≤$10m, and
- the Customer Default Rating/ Loan Default Rating is ‘11’ or better; and
- the Collateral Rating is ‘D’ or better; and
- if the valuation was accepted by a Property Risk Advisor (PRA), the PRA is to review the Relationship Manager’s assessment of currency of the valuation and confirm whether the Bank can continue to rely upon the existing valuation, and
- there are no increases to facilities or extensions to loan terms, and account conduct has been satisfactory, and
- there are no other emerging risks or concerns warranting updated valuations at this point.

How to Value

Real Property Collateral

The Valuation System is to be used for all valuation requests, unless the property is rural and can be assessed:

- under a Delegated Valuation Authority; refer *6.08 Valuation Authorities*, or
- using the Unimproved Valuation Method (refer *Rural Real Property - Unimproved Value* below).

Valuations are to assess FMV on a vacant possession basis unless:

- the property is held for arm's length investment purposes, or

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- a "Going Concern" valuation is being completed.

Where a property is partly owner-occupied by the customer or a related entity, that portion should be valued on a "vacant possession" basis and the remainder on a "subject to existing tenancies" basis.

The valuer is to provide an estimate of the selling period necessary to achieve the assessed value. If a selling period greater than six months is estimated, a detailed explanation should be provided by the valuer which is to be assessed in relation to its acceptability as a risk to the transaction.

The valuation is to be completed on an In-One-Line basis where a customer has four or more properties/ titles that are adjoining, or in the same development.

Valuers are to be informed of unregistered encumbrances or other adverse features (e.g. prior mortgages, caveats, easements, environmental concerns).

Where an unregistered lease or share-farming agreement exists, a copy of the signed formal agreement is to be provided to the valuer and attached to the valuation.

Wherever possible, it is the Bank's strong preference that Staff Members inspect all new properties where TCE exceeds $1M, and not rely solely on the Bank's Valuer. It is acknowledged that this is not always possible due to location.

Rural Real Property - Unimproved Value

The Staff Member may accept the unimproved value (recorded on the most recent local authority rate notice or search) for rural properties held as collateral for agribusiness exposures where:

- TBRE is <$2M, and
- LE does not exceed Shaded Collateral Value.

It is not necessary to apply a further haircut to the unimproved value as it is a conservative value by its very nature.

The source document is to be retained in the loan file.

Other Forms of Collateral

The value of collateral which is not real property is to be recorded in the Bank's systems and haircut by 100% unless otherwise permitted by an Underwriting Standard or approved by Credit .

Valuation Assignment

Letters of assignment from appropriately accredited Panel Valuers may be accepted by Credit if the letter states the valuation:

- is assigned "to Suncorp-Metway Ltd for mortgage purposes", and
- "has been prepared in accordance with Suncorp-Metway Ltd standing instructions" or that "information required by Suncorp-Metway Ltd standing instructions and not contained in the valuation has been addressed as follows…".

The original Letter of Assignment is to be retained with the valuation in the loan file.

Valuations older than 90 days may not be assigned.

Requests to assign valuations from non-Panel Valuers are to be referred to a Property Risk Advisor for acceptance.

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Valuation Acceptance

Where proposals involve valuations that include a medium/ high or high risk rating (or any rating 4 or rating 5) they are to be referred to the appropriate Credit DCA holder for decision.

Valuation reports are to be accepted by a Property Risk Advisor if:

- the property is valued at $7.5M or more; or
- the valuation or property is of a complex nature; or
- the valuation relates to development funding; or
- directed by the approving officer.

In other circumstances, Staff Members may only accept valuation reports if the credit decision is within their DCA (if outside DCA, refer to the relevant Credit DCA holder).

All valuations reports, whether for new or existing collateral, must be accepted by the relevant DCA holder/ Property Risk Advisor within 90 days of the date of valuation.

Further Assistance

For more information, discuss with your Leader or contact Credit

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Change History - 5.34 Valuations

Amendment number	Approved	Approved by	Description of changes
0	01/08/2011	Chief Credit Officer	First online publication
1	22/08/2011	BCRC and Chief Credit Officer	Without Inspection Assessment (WIA) If LVR is <u><</u>80% additional forms of source documents have been introduced, and limitations on when WIAs may be completed have been amended.
2	10/10/2011	CCO & Team Leader Credit Risk Policy	Table detailing Age of Valuations has been updated to remove confusion.
3	07/11/2011	CCO & Team Leader Credit Risk Policy	A standard reference to credit bureau reports has been included that refers users to Credit Standard - 3.07 Credit Bureau Reports.
4	21/11/2011	CCO & Team Leader Credit Risk Policy	Wording in this has been amended to clarify that for non-LMI loans WIA may be used to a maximum loan amount $750K.
5	1/12/2011	CCO & Team Leader Credit Risk Policy	The circumstances in which Retail Lending Without Inspection Assessments may be taken have been clarified.
6	13/01/2012	CD, TL Retail & Small Business & Risk Policy Team	Amendment made to correct contradiction between two sections of policy
7	30/01/2012	CCO & Team Leader Credit Risk Policy	Amendment required due to the introduction of Personal Properties Securities Act 2009.
8	01/03/2012	BCRC	Simplification of credit risk rules, processes and systems: amendments to requirements for risk grading, annual review and Watchlist.
9	05/03/2012	CCO & Team Leader Credit Risk Policy	Amendment to standardise the terms "satisfactory conduct" and "loan/ account statements" by centralising these definitions in *3.09 - Customer Behaviour*. The definitions of these terms previously located in the manual have been replaced with reference to Policy *3.09 - Customer Behaviour*.
10	06/08/2012	CCO & Team Leader Credit Risk Policy	Annual review. Minor changes made to match those made in 3.19 - Collateral.
11	06/09/2012	BCRC	• When approval is "Subject to Valuation", the valuation need not be referred back to the original approving officer if it aligns with the assumptions used in the credit

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			decision, and there are not adverse feature that are beyond the lenders authority (Dispensations Authority may be exercised). • Without Inspection Assessment Option D (non-LMI loans) expanded to TCE $1M. Where a purchase contract is used as a source document, it is to be supported by Residex, RP Data or On the House searches. • DCA holders with Dispensations Authority recorded in their DCA Certificate may now accept valuations where one or more risk rating 4 has been applied by the valuer, provided LVR is <80%.
12	08/10/2012	CCO & Team Leader Credit Risk Policy	Removal of dated and no longer applicable requirements relating to Small Business Valuations; VMS issues creating this requirement have been resolved. Clarification on 3.22.5 - Business Bank Lender Responsibilities.
13	14/12/2012	CCO & Team Leader Credit Risk Policy	Inclusion of a new collateral location classification of 'Other' and associated amendments to valuation requirements.
14	15/02/2013	CCO & Team Leader Credit Risk Policy	Customer requests for access to any residential valuation are to be sent to CEOs Office Suncorp Bank for consideration under the Privacy Act.
15	15/03/2013	CCO & Team Leader Credit Risk Policy	The Personal Property Security Agreement (PPSA) - Commercial has been replaced with the General Security Agreement - Commercial.
16	19/04/2013	CCO & Team Leader Credit Risk Policy	• Requirements for valuer sign off over $1M have been amended including a new co-signing clause. • Full valuations are required for second/ subsequent mortgage collateral. • Commercial valuation is required for dual purpose (residential and business) collateral. • Lenders are to advise valuer the number of units the applicant owns in the development. • A restricted valuation has been included as an option for WIA B. • WIA D now applies where all lending linked to the collateral is <$1M. • Rules for valuation shortfalls have been improved. • Lenders are to consider assumptions made by the valuer.

			• The terms Residential and Non-residential replace Retail and Business Banking in some sections.
17	09/05/2013	CCO & Team Leader Credit Risk Policy	Amendments to the Bank Credit Risk Management Policy have required changes to credit policies to ensure the intent is reflected in credit policy.
18	17/05/2013	CCO & Team Leader Credit Risk Policy	Full valuations are no longer required for: • Studio apartments; • Island properties that are not "Refer"; • Third party collateral; • Deposit KickStart loans; • Absent purchasers; • Foreign residents or income from overseas; • Gifted funds; • Account conduct or credit bureau reports that are not satisfactory.
19	09/08/2013	CCO & Team Leader Credit Risk Policy	The calculation TCE/ SCV has been replaced by LE/ SCV.
20	16/08/2013	CCO & Team Leader Credit Risk Policy	Valuation Systems Specialist (VSS) is responsible for checking the countersigning of residential valuations >$1M.
21	20/09/2013	CCO & Team Leader Credit Risk Policy	Non-residential collateral located in Northern Territory may not be valued by a DVA holder.
22	25/09/2013	CCO & Team Leader Credit Risk Policy	Valuations of second mortgage collateral may only be completed by certain valuers.
23	28/03/2014	CCO & Team Leader Credit Risk Policy	Revision upon introduction of paperless customer files, and migration of operational content to Bank Procedure Manual.
24	04/04/2014	CCO & Team Leader Credit Risk Policy	Annual Review of the Board-approved Bank Credit Risk Management Policy has been completed. Consequent amendments to Bank Credit Policies.
25	11/04/2014	CCO & Team Leader Credit Risk Policy	Non-residential valuation sign-off requirements have been clarified. In some circumstances a commercial property valuation will require referral to the Business Credit Property Risk Advisor.
26	16/05/2014	EMCOA & Team Leader	Change of name for teams in Distribution

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		Credit Risk Policy	
27	30/05/2014	BCRC, CCO & Team Leader Credit Risk Policy	Annual review of Policy. Amendments to reflect restructure of Retail Dispensations Authorities and re-formatting. Requirements for residential valuation shortfalls have been consolidated.
28	28/11/2014	BCRC, EMCROA & Team Leader Credit Risk Policy	Implementation of AVM (removal of Restricted Valuations and Residex). Implementation of local authority unimproved rural property valuations for Agribusiness exposures.
29	31/01/2015	CRO	Adjustments to approval authorities relating to residential valuations where fewer than three comparable sales have been identified, or the valuer has recorded higher risk ratings.
30	14/08/2015	Suncorp Bank CRO	Amendments to: • Provide additional guidance on actions required when valuations are less than contract/ construction prices • Confirm the decision points for loans supported by collateral valuations with higher risk ratings, or fewer than three comparable sales.
31	22/01/2016	Suncorp Bank CRO	New terminologies, practices and calculation methods due to the introduction of Ignite collateral system (LCM).
32	27/06/2016	CRO Banking & Wealth	Amendments to: Introduce a new valuations management system Introduce a second AVM resource for residential collateral valuations Introduce desktop valuations method for residential collateral valuations Modify Contract for sale method for residential collateral valuations Remove the requirement to haircut rural property unimproved value assessments Transition Procedural requirements to the Bank Procedure manual
33	20/10/2017	CRO Banking & Wealth	Increase the PRA review threshold from \$5M to \$7.5M

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34	23/03/2018	CRO Banking & Wealth	Amendments to: • Desktop Valuation acceptable for purchases without an Agent where LVR ≤ 80%. • Desktop Valuation acceptable for a new property purchase where the valuation is ≤ $1.5m, LVR ≤ 90% (incl. LMI). • Use of AVM to validate an Existing Valuation within the last two years up to an LVR ≤ 90% (incl. LMI),
35	28/09/2018	CRO Banking & Wealth	"Full Valuations Shortfalls" requirement re-worded for clarity. Recoveries team names updated to current names. Other minor amendments to the policy for clarity. Amendment to "Valuation Validation" section to include the changes as per the new DCA framework: • Retail Tier 38 or Small Business Tier 124 DCA holder can approve up to two risk ratings of 4 subjective to the Retail Risk Grade being 6 or less. • Comparable Sales updated to include <80% LVR requirements for clarity.
36	8/10/2018	EM PP&PRO	Clarification regarding Comparable Sales for loans where LVR is ≤80% included.
37	24/4/2019	CRO Banking & Wealth	Amendments to allow extra delegation: • Retail Tier 34, 36 can approve one or two risk ratings of 4 where LVR is ≤80% and Risk Grading is ≤4. • Retail Tiers 36, 38 or Small Business Tiers 122, 124 DCA holder can approve three or more risk ratings of 4 where LVR is ≤80% and Risk Grading is ≤4. • Retail Tier 38 or Small Business Tiers 122, 124 DCA holder can approve one risk rating 5 where LVR is ≤80% and Risk Grading is ≤4. • Retail Tier 36 can approve less than 3 comparable sales Where Risk Grade is ≤4 and the LVR is ≤80%,
38	31/10/2019	CRO Banking & Wealth	Clarification regarding Short Form and Long Form valuations. Amendment to revaluation requirements to permit valuations > 3 years of age provided certain criteria are met. Valuations to be accepted within 90 days of the date of valuation.

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			Amendments to role titles following a restructure of Credit effective 1/7/19.