

# Quick Guide Servicing Calculator



open to all who serve and support

## Introduction

The servicing calculator is a tool to utilise in providing serviceability to a loan application and needs to be provided as part of your assessment submission.

## References

Refer to Credit Underwriting Standards

For all other enquires your Broker Support Manager or email  
[brokers@australianmilitarybank.com.au](mailto:brokers@australianmilitarybank.com.au)

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## Where can I access the Servicing Calculator from?

Found via aggregator platform or by contacting your Broker Support Manager

## Entering the amounts into excel

It is recommended that you use the built in formula option when inputting multiple amounts into the same field. This makes it easier to identify the amounts you have included in your final amount and will also assist underwriters to identify the same. For example, a member has an existing ongoing personal loan at \$250 fortnight payment & a lease at \$500 month. In excel, the equation would be  $=(250*26/12)+500$  to get the monthly amount or if there is another loan at \$50 fortnight then you would need to amend the equation to be  $=((50+250)*26/12)+500$ . Remember to ensure the calculation reflects the expected outcome, for example expenses and liabilities are derived in monthly values while income is derived as annual value in the servicing calculator.

To understand excel more you can use google, here is a link to some videos on basic excel functions:

[https://www.youtube.com/watch?v=xc14gFFyiTw&list=PLpQQipWcxwt9kEYnMTd8nBuRxC3LFmera &index=13](https://www.youtube.com/watch?v=xc14gFFyiTw&list=PLpQQipWcxwt9kEYnMTd8nBuRxC3LFmera&index=13)

Specifically 'Excel: Intro to Formulas'

## Servicing Calculator Overview

The following fields need to be completed, there is either option to free type certain details, or where there is a selection, a drop-down list will appear when you click on the field. Output is auto derived into the blue fields throughout the servicing calculator.

### Personal & Loan Details:

- Prepared by = Your name
- Member # = main member number (leave blank if unknown)
- Originating Branch = Intermediaries
- Member Surname = Applicant(s) surname
- Credit Score = The Comprehensive Credit Score (For joint applications use the higher of two scores, applied by Processing Team)
- Purpose = Select from drop down
- Credit Report Defaults = Select from drop down
- Government Scheme = Select from drop down
- RHI (# Missed Payments) = Select from drop down as per CCR (applied by Processing Team)
- Product Type = Scheme code, can select from the drop down
- Loan to Value Ratio (LVR) = Enter LVR of application here if applicable (Only Applicable for Home Loans)
- Loan Amount = Amount being requested by the member, except for Cash Out amount in mortgages, see below – for mortgages this includes purchase OR refinance amount
- Lenders Mortgage Insurance Premium = If applicable, enter the premium amount payable by the member here and on the right select from the drop down if the premium is capitalised or not
- Cash Out (Equity Release) Top Up Amount = is the amount of Cash the members want to borrow (this includes home improvements, non-mortgage purposes/debt consolidations)
- Upfront Loan Fees = Upfront Fees payable (E.g. Processing fee, Valuation fee, PPSR Fee etc.)
- Policy Exception = Y/N select accordingly from drop down
- Living arrangements accordingly (Single adult, Couples, Dependent children)
- Interest Rate and Repayment Term = Enter repayment term and interest rates applicable

Loan Servicing Calculator		Australian Military Bank	
Version effective 13 April 2023			
Prepared by		Member #	
Originating Branch		Member Surname	
Purpose		Credit Score	
Government Scheme		Credit Report Defaults	
Product type		RHI (# Missed Payments)	
Loan Amount		Loan to Value Ratio (LVR)	
Cash Out (Equity Release) Top Up Amount		Lenders Mortgage Insurance Premium	
		Upfront Loan Fees	
TOTAL LOAN AMOUNT	\$0.00	TOTAL LOAN & UPFRONT COSTS	\$0.00
Policy Exception		Repayment Term (Months)	
# Single adults	0	Interest Rate	
# Couples	0	Monthly Repayments (P&I)	
# Dependents	0		
Household Expenditure Measure (HEM)	\$0.00	Total Term / Sensitised Rate	0
			Rate must be input
			\$0.00

*Financial liabilities and Expenses:* this section is converted to monthly expense

- Total OFI credit card limit = All OFI credit card limits
- Total AMB internal credit card limit (LRVC) = AMB credit card limit, including any a new CC application amount. For CC applications the applied limit should be put here as well as in Loan Amount section.
- Secured Overdraft = Mortgage secured overdraft limit, any OFI including AMB Home Equity Overdraft accounts
- Unsecured Overdraft = Unsecured overdraft limit, any OFI including AMB accounts
- Post Code Collateral Property = Post code of related collateral properties to the application
- Declared Expenses Greater than HEM = Auto filled field once the other sections are complete, there is no input required
- Demi Expenses (Excl. Living Expenses & Rent) = Short term non contractual or voluntary debts such as MSBS (Military Superannuation and Benefits Scheme) amount
- Rent/Mortgage payable = Housing related costs, this includes rent or the applicable mortgage repayment amount as per servicing – use sensitised amounts for HL applications (can also be found in cell L26). For personal loan applications the contractual mortgage repayments are applied.
- DEMI Liabilities = liabilities including personal loans, leases etc, do not other mortgage or credit card payments
- Total AMB internal options = Total amount (amount owing + redraw available+ undisbursed funds OR limit of facility) not related to the application
- Total OFI options = Total amount (amount owing + redraw available+ undisbursed funds OR limit of facility) not related to the application

Total OFI Credit Card Limit	\$0.00	\$0.00	at 22.00% per annum / 3 years	Post Code Collateral Property #1	
Total AMB credit card limit (LRVC)	\$0.00	\$0.00	at 19.99% per annum / 3 years	Post Code Collateral Property #2	
Secured Overdraft Limit	\$0.00	\$0.00	at 1% of overdraft limit	Post Code Collateral Property #3	
Unsecured Overdraft Limit	\$0.00	\$0.00	at 3% of overdraft limit	Post Code Collateral Property #4	
Declared Expenses Greater Than HEM	\$0.00				
Demi Expenses (Excl. Living Expenses & Rent)	\$0.00	Total AMB Secured PL	\$0.00	Total OFI Secured PL	\$0.00
Rent / Mortgage payable	\$0.00	Total AMB Unsecured PL	\$0.00	Total OFI Unsecured PL	\$0.00
DEMI Liabilities	\$0.00	Total AMB Home Loans	\$0.00	Total OFI Home Loans	\$0.00
Total monthly expenses	\$0.00	Total AMB Overdraft & Credit Cards	\$0.00	Total OFI Overdraft & Credit Cards	\$0.00

*Income:* this section is annualised

- Income Type = select from the drop-down list
- Borrower = select the correct borrower number from the searcher 1=main, 2=co-borrower etc. This must be accurate to calculate tax correctly.
- Gross Annual Income = Gross (before tax) annual income (this should be on the payslip, or you can use the YTD calculator)

If you run out of room due to more complex applications such as joint applicants with investment properties simply click the 'Add extra Income row' to allow room for more income entries

## RLOS during your Data Capture

Add extra Income row

## Member Monthly Expenses:

You need to input the living expenses section as per the categories. For the investment property monthly expenses (from sheet 2) this is added to the Total Member monthly personal expenses, and appears in the cell Total Expenses, this is the amount we will enter towards Household Expenses.

1. Assessment is above HEM, then the difference is automatically input into the field 'Declared Expenses Greater than HEM'
2. Assessment is below HEM, then assessment will be based on the HEM amount.

MEMBER MONTHLY EXPENSES				
Expenses	Member Declared	Lender Assessed		
Groceries	\$0.00	\$0.00		
Utilities, rates, strata etc (Owner Occupied)	\$0.00	\$0.00		
Insurance & Health costs	\$0.00	\$0.00		
Transport	\$0.00	\$0.00		
Education & childcare	\$0.00	\$0.00		
Entertainment & recreation	\$0.00	\$0.00		
Phone, internet, streaming, pay tv etc	\$0.00	\$0.00		
Other - including clothing & personal care	\$0.00	\$0.00		
<b>Total Member Monthly Personal Expenses</b>	<b>\$0.00</b>	<b>\$0.00</b>		

  

<b>Investment Property Monthly Expenses (from INV sheets)</b>	<b>\$0.00</b>
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<b>Total Expenses (to put in DEMI)</b>	<b>\$0.00</b>
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<b>HEM Difference</b>	<b>\$0.00</b>
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## Tab 2: INV Property & Other Mortgages

There are several tables on this page, due to possible multiple existing mortgage loans. You need to complete a table per OFI mortgage account, as per the instructions on the right of the tables.

The summary table details also flow through to page 1 of this calculator for your quick reference when completing the first page

**Loan Repayment Sensitivity Calculator**

Version effective 13 April 2023

Calculate home loan repayments for any ongoing mortgage loan facilities at the test rate. For use in remortgages payable field of the main sheet.

Australian Military Bank

[Click Here to reset all fields](#)

<b>Total loan repayments (at sensitised rate)</b>	<b>\$0.00</b>
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Summary Results	Annual interest on all other mortgages (IM + ODCs)	Annual Rental Income	Deductible interest (for tax calculation)	Deductible expenses (for tax calculation)
AMB Borrower 1	\$0.00	\$0.00	\$0.00	\$0.00
AMB Borrower 2	\$0.00	\$0.00	\$0.00	\$0.00
AMB Borrower 3	\$0.00	\$0.00	\$0.00	\$0.00
AMB Borrower 4	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

  

Property Address	State	Post Code
Loan Purpose		
Lender		
Loan amount		
Interest rate		
Fixed Loan Repay Rate	5.10%	
Current Repayment type	Months	
Remaining 30 Term	Months	
Remaining PSI term	Months	
Yearly Loan Interest	\$0.00	
Monthly PSI repayment	\$0.00	
	@ Other Rate	@ Test Rate

  

Annual	Borrowers Share of this Property
Rental & incidental income	
Body Corporate/Strata Fees	
Borrowing Expenses	
Council Rates	
Gardening/Maintenance	
Insurance	
Management/Agent Fees	
Water/Millies	
Other Expenses (include interest)	
Capital Allowance/Depreciation	
<b>Sub-total Cash Expenses</b>	<b>\$0.00</b>
<b>Total Investment Expenses</b>	<b>\$0.00</b>
<b>Net Property Profit/Loss</b>	<b>\$0.00</b>

  

AMB Borrower 1	AMB Borrower 2	AMB Borrower 3	AMB Borrower 4	Other (non-AMB Borrowers)	Total (must be 100%)
100.00%	0.00%	0.00%	0.00%	0.00%	100.00%

  

Loan Tax Deductible %	0.00%
Expenses Tax Deductible %	0.00%
<b>Weeks Rented in Year</b>	<b>52</b>

**INSTRUCTIONS**

This sheet is to be used for enter all OFI Mortgage accounts held by the borrower(s) (both INV and ODI). Also enter the Investment Expenses related to any new Investment Loan being assessed.

Rent & Expense values should be entered as Annual amounts from tax return, statements or depreciation schedule.

If reading expenses from a tax return be careful as it only shows the share of rent & deductions for one person.

- check the 'Weeks Rented in Year' matches tax return so the calculator will annualise any past year figures

- leave the 'Expenses Tax Deductible %' saying 100% if you use the tax return. The tax return will only show the deductible amount

- if a property is jointly owned and both people give the tax return, either

1. Add the numbers together then enter the Ownership Percentage to split the loan between borrower 1 and 2 etc

OR 2. Enter each borrower's amounts in a different box and put one section 100% borrower 1 and the other section 100% borrower 2

→ but then you would also only put half of their OFI loan amount in each section

Other details:

**Version Control:** ensure that you obtain the current version from your aggregator platform or Broker Support Manager

Quick links:

- **Reset button** – clears all the fields to start over
- **Genworth LMI premium calculator** – takes you to the calculator
- **Print PDF** – prints all the pages to one PDF document

**Loan Servicing Calculator**  
Version dated 20th Oct 2020

[Click Here to reset all fields](#)

Prepared by	Originating Branch		
Surname	Member #		
Policy Exception	Bureau Score		
Purpose	Previous RHI History		
Cross Sold	Loan to Value Ratio (LVR)		
Product type	Lenders Mortgage Insurance Premium		[Select Option]
Loan Amount	Loan Fees		[Select Option]
Cash Out (Equity Release) Top Up Amount	Consumer Credit Insurance Premium		[Select Option]
<b>TOTAL LOAN AMOUNT</b>	<b>\$0.00</b>	<b>TOTAL LOAN &amp; UPFRONT COSTS</b>	<b>\$0.00</b>
# Single adults	0	Interest Only Loan term (months)	
# Couples	0	Principal & Interest Loan term (months)	
# Dependents	0	Interest rate	5.54%
Household Expenditure Measure (HEM)	\$0.00	Monthly loan repayment (P&I)	\$0.00

**Loan Servicing Calculator**  
Version effective 13 April 2020

[Click Here to reset all fields](#)

Prepared by	Member #		
Originating Branch	Member Surname		
Purpose	Credit Score		
Government Scheme	Credit Report Defaults		
Product type	RHI (# Missed Payments)		
Loan Amount	Loan to Value Ratio (LVR)		
Cash Out (Equity Release) Top Up Amount	Lenders Mortgage Insurance Premium		Paid by Member [Select Option]
<b>TOTAL LOAN AMOUNT</b>	<b>\$0.00</b>	<b>TOTAL LOAN &amp; UPFRONT COSTS</b>	<b>\$0.00</b>
Policy Exception	Repayment Term (Months)	Interest Rate	Monthly Repayments (P&I)
# Single adults	0	Interest Only Period	
# Couples	0	P&I Fixed Rate Period	
# Dependents	0	P&I Variable Rate Period	
Household Expenditure Measure (HEM)	\$0.00	Total Term / Sensitised Rate	0
		Rate must be input	\$0.00

**Loan Servicing Calculator**  
Version effective 13 April 2020

[Click Here to reset all fields](#)

[Genworth calculator link](#)

[Print to PDF](#)

**Output response** all compute upon full completion of the relevant fields:

- Debt to Income = DTI
- NDI = Net Disposable Income.
- DSR = Debt Service Ratio
- DLAA Suggested = Minimum DLAA required to approve the application by the credit assessor
- Reason = Reason it is referring to this DLAA
- DLAA Required = input from drop down box should be equal or greater than the suggested DLAA applied by Processing Team
- Recommended for = Approval or Decline, select from drop down accordingly

Debt to Income (DTI)	
Net Disposal Income (NDI)	\$0.00
Debt Service Ratio (DSR)	0.00%

DLAA Required	
Recommended for	
DLAA Suggested	
Reason	
Last Date Modified	14/04/2023 9:38