

Supercharge your client's future

with Self-Managed Superannuation Fund (SMSF) LMI.



Currently there are around 1.1 million Australians who have an SMSF, with this number projected to increase. A recent Helia study found that 44% of SMSFs have been established for the purpose of property acquisition¹, highlighting the substantial proportion using this

investment vehicle to strategically achieve more property ownership. Mortgage brokers are uniquely placed to service the SMSF market, by helping individuals looking to have their SMSF invest in property.

¹ Helia Home Buyer Sentiment Report 2023.



Lenders Mortgage Insurance (LMI) for SMSFs

Mortgage brokers can help SMSF investors enter the property market sooner with LMI.

LMI may present a significant opportunity for SMSF investors by lowering the barriers to entry of an investment property purchase. LMI enables the purchase of an investment property without the 20% deposit which is typically required by most lenders. Used strategically, LMI may help SMSF investors maximise their potential returns.

What are the potential benefits of LMI on SMSF property?

LMI may offer many benefits for investors looking to accelerate their growth through property investment in an SMSF. These include:

Fast-tracked market entry

Lower deposit requirement enables faster entry into the investment property market

Higher value property

Access to higher value properties and opportunities with strong growth potential

Diversified portfolio strategy

Enhance the ability of SMSFs to diversify their assets by including property investment assets

Risk mitigation

Recourse to the property provides protection against potential loss for lenders if the borrower defaults

Tax deductibility

LMI fee may be tax-deductible for the SMSF trustee, depending on the circumstances

Helia's SMSF LMI product overview

As Australia's first LMI provider, Helia is an expert partner in providing SMSF investors the opportunity to accelerate their financial wellbeing through LMI.

For the full policy, please refer to Helia's underwriting standards and guidelines.

LVR	90% (including LMI premium capitalisation)
Maximum loan size	\$1m
Coverage term	Maximum 30 years
Servicing test	Serviceability needs to be from within the fund, unless there are verified additional contributions outlined
Security types	Must be secured by: <ul style="list-style-type: none"> One single occupancy dwelling on one title The loan must not cover any additional assets purchased at the time of property purchase. This includes furnishings or other items which are not fixtures.

The submission process

The following documentation is required to be sent to Helia for LMI proposals:

1. A completed Helia LMI proposal form
2. A copy of the completed loan application
3. A copy of the Helia SMSF serviceability calculator (prior written agreement must be obtained from Helia to use the lender's SMSF serviceability calculator)
4. Full valuation report, or approved alternative, no more than 90 days old (only required if Valex ID not provided)
5. Lenders supporting notes. If outside of Helia's LMI Underwriting Standards and Guidelines, supporting comments outlining the strengths of the LMI proposal are also required. Supporting evidence outside of notes (i.e. assessment documents, trust deed, etc.) should be held on the loan file and is not required to be submitted to Helia with the application.

Should you have any questions about Helia's SMSF LMI product, please contact our Customer Service Centre on 1300 661 118 or send an email to underwritingsupport@helia.com.au.