Target Market Determination

For Athena Home Loans ABN 24 619 536 506 (Issuer)
Mortgage Choice Freedom (Product)

1. About this document

This target market determination (TMD) is issued by Athena Mortgage Pty Limited ABN 23 619 536 506 Australian Credit Licence 502611 under section 994B of the Corporations Act 2001 (Cth).

It seeks to offer consumers, Distributors and staff with information about the class of consumers for which the Mortgage Choice Freedom home loan product has been designed, having regard to the objectives, financial situation and needs of customers within the target markets. It also specifies distribution conditions, review and record keeping requirements.

This document is not to be treated as a complete summary of the product terms and conditions and does not contain or provide financial advice. Consumers must refer to the product terms and conditions and any supplementary documents which outline the relevant terms and conditions in relation to this product when making a decision about whether to acquire the product.

Product to which this target market determination applies

This TMD applies to our Mortgage Choice Freedom residential mortgage product which has four product options: the Mortgage Choice Freedom Saver, Flex, Fixed and Prime residential mortgage product. The terms and conditions of the product are set out in the Athena Home Loans General Terms & Conditions Version 11 dated November 2025.

Date from which this target market determination is effective

25 August 2026

Mortgage Choice Freedom Powered by ATHENA

2. Class of consumers that fall within this target market

The Mortgage Choice Freedom residential mortgage products are designed for customers who require a home or investment loan secured by either owner occupied or investment residential real estate. Customers must meet the following minimum eligibility criteria:

- be 18 years or over at the time of application
- be an Australian resident
- meet credit criteria including being able to demonstrate sufficient consistent income to support the repayment obligations
- provide security over residential real estate that is acceptable under our credit policy requirements

There are four product options, which may be suitable for different customers at different times. There is a summary of the options with a detailed description of the product, including its key attributes in section 2.1.

Mortgage Choice Freedom Saver Target Market

The Mortgage Choice Freedom Saver option is designed for customers who require a basic variable rate home loan which provides a simple loan with a simple interest rate. This loan is suitable for customers who do not need any extra features such as offset or split loan structures. Customers in the target market require the ability to make unlimited additional repayments and redraws at anytime.

Mortgage Choice Freedom Flex Target Market

The Mortgage Choice Freedom Flex option is designed for customers who require a fully featured variable rate home loan with access to additional features such as single or multiple offset sub-accounts, multiple residential properties and the ability to split their loan after settlement. Split loans will enable customers to access multiple product options including a combination of a Mortgage Choice Fixed and Mortgage Choice Freedom Flex variable rate to provide some interest and repayment certainty and a hedge against interest rate increases (with respect to the fixed rate portion) whilst maintaining the option of unlimited additional repayments and redraw (with respect to the variable rate portion). Customers may also wish to split and structure their loans in a variety of ways including loan purpose or repayment types. Mortgage Choice Freedom Flex generally carries a higher variable interest rate to access the additional features. This product option is unlikely to be suitable for customers who do not require these features.

Mortgage Choice Freedom Fixed Rate Target Market

The Mortgage Choice Fixed Rate option is designed for customers who require the certainty of fixed rates and fixed repayments over a defined period of time. This product option is likely to be suitable for customers who do not require the ability to make unlimited additional repayments or access redraw until the end of the fixed rate period.

Mortgage Choice Freedom Prime Target Market

The Mortgage Choice Freedom Prime option is designed for customers who require a fully featured variable rate home loan with access to additional features such as single or multiple offset sub-accounts, multiple residential properties and the ability to split their loan after settlement. Split loans will enable customers to access multiple product options including a combination of a Mortgage Choice Fixed and Mortgage Choice Freedom Prime variable rate to provide some interest and repayment certainty and a hedge against interest rate increases (with respect to the fixed rate portion) whilst maintaining the option of unlimited additional repayments and redraw (with respect to the variable rate portion). Customers may also wish to split and structure their loans in a variety of ways including loan purpose or repayment types. Mortgage Choice Freedom Prime generally carries a lower variable interest rate with access to the additional features but will not be eligible for LVR based discounts during the life of the loan and it has an annual offset fee if an offset sub-account is selected. This product option is unlikely to be suitable for customers who do not require these features.

2.1 Product descriptions and key attributes

The Mortgage Choice Freedom Saver, Flex, Fixed and Prime residential mortgage loan options can be tailored to suit customer needs based on the predominant purpose of the loan, repayment types, product features and interest rate types.

These loan options can be used for the purchase of a residential dwelling, where such residential dwelling acts as security for the loan. All options enable the customer to repay the loan by making principal and interest or interest only repayments.

The product attributes available are as follows:

	Eligibility details	
Attributes	**Owner Occupier**	**Investor**
Minimum loan size	$100,000	
Maximum loan size	$3,000,000	
Loan term	10 years to 30 years	
Loan to value ratio (LVR)	Up to 80% LVR	
Repayment types	Principal and Interest or Interest Only	
Interest rate types	Variable or Fixed	
Ongoing fees	An annual offset fee will be applicable on Freedom Prime if an offset sub-account is selected.	
Residency	Australian/NZ permanent residents living in Australia	
How the property is used and occupied	A private residential dwelling primarily for domestic purposes on an owner occupied basis.	A private residential dwelling that is rented out to tenants on a permanent basis, or has a short-term rental agreement that meets acceptance criteria.
Location and condition of the property	A property that meets our credit policy criteria, including, but not limited to: 1. is located within an acceptable postcode 2. is an acceptable building type 3. is not primarily used for the purpose of operating a business; 4. is well maintained and in good condition; and/or does not require, nor is under construction 5. is within our desirable land size restrictions	

2.2 Objectives, and needs

The below table sets out the product attributes which apply to each product option which may help guide customers and Distributors to determine which product option best suits their needs:

Needs and objectives	Mortgage Choice Freedom Saver Variable rate	Mortgage Choice Freedom Flex Variable rate	Mortgage Choice Freedom Fixed rate	Mortgage Choice Freedom Prime Variable rate
Need a home loan for owner occupied property	✓	✓	✓	✓
Need a home loan for investment property	✓	✓	✓	✓
Need a home loan for commercial property or for other business purposes	–	–	–	–
Want to minimise repayments by making interest only repayments for an agreed period of time and have the capacity to service higher repayments later	✓	✓	✓	✓
Want to make principal repayments so as to reduce outstanding loan and build up equity	✓	✓	✓	✓
Need certainty that interest rates and repayments won't change for an agreed period of time	–	–	✓	–
Want the ability to split your loan facility to take advantage of different loan features secured by the one property after settlement	–	✓	✓	✓
Want the ability to secure a single loan facility with multiple properties to take advantage of a lower loan-to-value ratio	–	✓	✓	✓
Want the ability to make unlimited additional repayments	✓	✓	–	✓
Want the ability to consolidate up to 4 debts	✓	✓	✓	✓
Need the ability to withdraw additional repayments from time to time	✓	✓	–	✓
Want the benefits of an offset feature to place all available funds to maximise interest reduction benefit but also able to make regular and frequent withdrawals	–	✓	–	✓
Want the benefit of multiple offset sub-accounts to separate your money for different goals	–	✓	–	✓
Want to be able to make changes to the loan at any time such as top up, sale of a property, reducing loan limit or refinancing to another lender at any time without incurring break costs (conditions and fees may apply)	✓	✓	–	✓
Need access to payment features to be able to pay anyone via EFT	✓	✓	–	✓
Want to be eligible for Loan to value (LVR) based discounts during the life of the loan, reducing the interest payable as the loan LVR decreases	✓	✓	–	–

2.3 Financial situation

Mortgage Choice Freedom's home loan options have been designed for customers who meet our credit policy criteria, which includes:

- having a sufficient deposit (if purchasing) or equity in their property (if refinancing);
- having the ability to meet the agreed repayments of their loan (including interest and charges) in accordance with the loan contract without hardship.

2.4 Excluded class of consumers

This product has not been designed for individuals whose predominant purpose is not to purchase residential property in Australia, for example but not limited to, the purpose of commercial property or to fund business operations.

Mortgage Choice Freedom home loans may not be suitable for all eligible home loan customers, due to our credit risk appetite as governed by our credit policy which may be updated from time to time, or because of their financial position or the nature of their income sources.

2.5 Consistency between target market and the product

The product is likely to be consistent with the objectives, financial situation and needs of the class of consumers in our target markets based on the key terms, features and attributes of our home loans.

The design of our credit policy and distribution policy ensures that our products are only sold if the relevant product is assessed as meeting the likely objectives, financial situation and needs and objectives of the relevant customer.

3. How these products are to be distributed

Mortgage Choice Freedom home loans are distributed via accredited Mortgage Choice brokers and via the realestate.com.au website.

The product must only be distributed to customers in accordance with Athena's product, credit criteria and process requirements. All customers must satisfy applicable credit assessment criteria which demonstrates the customer's ability to service the loan. In addition, the below table identifies the distribution channels through which the product can be sold and sets out the distribution conditions that apply.

3.1 Distribution conditions

The product may only be distributed:

- if the customer meets the eligibility and credit criteria; and
- the product is likely to meet the objectives, financial situation and needs of the customer; and
- each Distributor and/or their employees are appropriately trained and accredited to distribute the products; and
- under the following circumstances:

Conditions	Description
Marketing and promotions conditions	A Distributor must only market and promote the product through: • advertising on television, radio, the internet (including social media), billboards and physical banners, brochures and other marketing material available to the general public; • in person recommendations to access marketing material (including brokers and through referrer networks); and • any other approved communication channels (including telephone, email and social media). This condition is appropriate as the target market is wide.
Retail product distribution conduct conditions (other than marketing and promotions)	A Distributor must only engage in retail product distribution conduct (other than marketing and promotions) through: • in person communications (including brokers and through broker and referrer networks); • through Mortgage Choice's and other approved third party digital platforms; and • any other Mortgage Choice approved communication channels (including telephone, email and social media). This condition is appropriate as the target market is wide and brokers and Mortgage Choice Freedom staff have the requisite knowledge and training to assess whether the customer is in the target market for the product.
General conditions	• This product must only be distributed in accordance with this TMD • Distribution of this product must comply with all our eligibility and credit policy criteria • This product cannot be distributed where this TMD is not up to date and no new TMD has been published; and • The TMD must be current and not subject to any ASIC action that might suggest the TMD is no longer appropriate.

3.2 Adequacy of distribution conditions and restrictions

These distribution conditions make it likely that customers who are issued the product are in the target market because they are supported by reasonably appropriate platform controls, training and scripting designed to ensure that the product is distributed to persons within the target market.

4. Reviewing this target market determination

We will review this target market determination in accordance with the below:

Initial review	Within the 3 years of the effective date.
Periodic reviews	At least every 3 years from the initial review.
Review triggers or events	Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited): • a material change to the design or distribution of the product, including related documentation or policies; • A material change to Athena's Credit Policy; • where 1% or more of our total borrowers (joint borrowers to be treated as a single borrower) experience financial difficulty at any one time; • evidence, as determined by Athena, of the performance of the product, in practice, that may suggest that the product is not appropriate for the target market • reporting from Distributors, or consistent feedback from Distributors on the target market which suggests that the determination may no longer be appropriate; • the occurrence of a significant dealing in the product outside the target market; • where the distribution conditions are found to be no longer be appropriate; • external events occur, such as adverse media coverage or regulatory attention; where 1% or more of our total borrowers (joint borrowers to be treated as a single borrower) are in arrears and/or in hardship; • where we receive over 10 complaints in a calendar month that arise from product or distribution concerns; and • where we experience over 10 application withdrawals in a calendar month that arise from product or distribution concerns.

Where a review trigger has occurred, review of the target market determination will be completed within 10 business days.

5. Reporting and monitoring this target market determination

The table below sets out the kinds of information we need to identify, or those that Distributors who distribute our products need to provide us, to enable us to ensure that the TMD for these products continues to be appropriate.

Specific complaints	Distributors will report details of the complaint, including name and contact details of complainant and substance of the complaint. The Distributor must provide the information as soon as practicable but within 10 business days.
Number of complaints	Distributors will report to us the number of complaints received in relation to the product(s) covered by this TMD on a quarterly basis.
Information requested by Athena (e.g. sales and customer data)	Information reasonably requested by Athena. The Distributor must provide the information by the date requested by Athena.
Financial difficulty	Information about customers experiencing financial difficulty related directly to the unsuitability of the product of which the Distributor becomes aware. The Distributor must provide the information as soon as practicable but within 10 business days.
Dealings of product outside of TMD (significant dealing(s))	The details of any significant dealing(s) in the product outside the target market and a description of the significant dealing (eg, why it is not consistent with the TMD). The Distributor must provide the information as soon as practicable but within 10 business days.
Any feedback, regulatory order or directions received from a Regulator or AFCA in respect of the product or its distribution	Distributors will report this information as soon as practicable but within 10 business days.

We're here to help

If you have any question about this document or would like to talk to us about our home loans.

Local call 13 34 34

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