ML/TF Risk Assessment

Harbourline Real Estate

Inherent money-laundering and terrorism-financing risk assessment (AUSTRAC Step 2)

01-ML-TF-Risk-Assessment · version 1.0 · 3 September 2026 · Prepared for senior-manager approval

Item	Detail
Legal entity	Harbourline Property Group Pty Ltd (ABN 51 824 753 556)
Sector	Real estate agency (sales / buyer's agency)
Locations	Dee Why NSW 2099; Mona Vale NSW 2103
AML/CTF compliance officer	Danielle Okafor — Licensee in Charge
Senior manager (approver)	Danielle Okafor (Licensee in Charge / Director)
Governing body	Board of directors (2 directors)
Document	01-ML-TF-Risk-Assessment — version 1.0 DRAFT — prepared 3 September 2026
Approval	Approved by: ________________________ Date: _____________ (senior manager)

Purpose and scope

This document is the money laundering and terrorism financing (ML/TF) risk assessment for Harbourline Property Group Pty Ltd (ABN 51 824 753 556, ACN 824 753 556), trading as Harbourline Real Estate. It is Step 2 of the AUSTRAC AML/CTF program model and is the foundation on which the AML/CTF policies and process documents are built. It assesses inherent risk, meaning the risk that exists before any policies, procedures, systems and controls are applied.

The assessment covers both offices (Dee Why NSW 2099, head office, and Mona Vale NSW 2103) and the designated services the business provides under the Real estate table, Item 1: brokering the sale, purchase or transfer of real estate on behalf of a buyer, seller, transferee or transferor, including the buyer's agency service. Residential property management, residential leasing and market appraisals are not designated services and are outside scope, although staff working in those areas must still know how to escalate unusual activity to the AML/CTF compliance officer.

- Prepared by: Danielle Okafor, Licensee in Charge and AML/CTF compliance officer.
- Approved by: Danielle Okafor as senior manager (Licensee in Charge / Director). The version number and date of approval are recorded in the version table at the end of this document.
- Provided to: the governing body, the board of directors (2 directors), in writing as soon as practicable after approval and after every update.
- Applies from: 15 September 2026 (program effective date). Harbourline Real Estate has provided designated services since 1 July 2026. [CONFIRM: record how customer due diligence and reporting were handled between 1 July 2026 and program approval]

Note: AUSTRAC requires the risk assessment to be provided to the governing body in writing as soon as practicable, and any update to be approved by a senior manager and documented within 14 days after the update occurs.

Business profile

The profile below is drawn from the business intake and drives every rating in this assessment. If any attribute changes, the review triggers in the final section apply.

Attribute	Detail
Legal name / trading name	Harbourline Property Group Pty Ltd, trading as Harbourline Real Estate
Entity type	Australian proprietary company; governing body is the board of directors (2 directors)
Designated services	Real estate Item 1: brokering sales for vendors; brokering purchases as buyer's agent
Non-designated services	Residential property management; residential leasing; market appraisals
Offices	Dee Why NSW 2099 (head office); Mona Vale NSW

Attribute	Detail
	2103
Staff	11 total; 7 customer-facing (sales team of 5 plus 2 buyer's agents); one Licensee in Charge across both offices
Volume	Approximately 140 designated-service transactions per year; annual turnover in the A$2 million to A$10 million band
Customer base	Mostly individual owner-occupiers and local investors on the Northern Beaches; some companies, family trusts and high-net-worth customers; rare sole traders, SMSFs and foreign customers; no partnerships or government bodies; no known politically exposed persons
Delivery channels	Face-to-face; remote staff-assisted (for example expat vendors selling from overseas); via intermediaries (conveyancers engaged for all contracts, solicitors, referrers)
Geography	Operates only in Australia. Customers from Australia, the United Kingdom, Singapore and Hong Kong. Funds received from Australia, the United Kingdom and Singapore
Payments	Deposits paid into the sales trust account by EFT only; no cash accepted
Systems	Agentbox (CRM and practice management); records held in Agentbox and Google Drive
Current controls	Manual identity document copies; no PEP or sanctions screening; no written AML/CTF policy; no staff AML/CTF training yet completed

Methodology

Each risk factor is rated using AUSTRAC's approach: Likelihood x Impact = Inherent risk. Ratings are assigned by the AML/CTF compliance officer with input from the sales team and buyer's agents, then approved by the senior manager.

Scale	Rating	AUSTRAC definition
Likelihood	Very likely	"almost certain to occur or will occur at a high frequency or probability"

Scale	Rating	AUSTRAC definition
Likelihood	Likely	high probability but uncertain
Likelihood	Not likely	unlikely but possible
Impact	**High**	"significant impact – major damage or effect"
Impact	**Medium**	moderate consequences for the business or the community
Impact	**Low**	"minor or negligible consequences"

The two scales combine in a 3x3 matrix to give Low, Medium or High inherent risk. Following AUSTRAC's example, Very likely x Low impact gives Medium. High impact combined with Likely or Very likely gives High. The matrix is applied by the document renderer so that every factor is rated consistently.

Inherent risk is assessed first, before controls. Residual risk (the risk remaining after the AML/CTF policies are applied) is not formally scored in this version, but the controls column in the factor list records the key mitigations the program relies on. [CONFIRM: whether the board wants a residual risk score added at the first annual review]

Sources consulted in preparing this assessment:

- AUSTRAC, Money Laundering in Australia National Risk Assessment 2024
- AUSTRAC, Terrorism Financing in Australia National Risk Assessment 2024
- AUSTRAC, Proliferation Financing in Australia National Risk Assessment 2022
- AUSTRAC real estate sector quick guide and indicators of suspicious activity
- AUSTRAC Your AML/CTF program guidance (Step 2, Identify and assess your risks) and Customer due diligence guidance
- DFAT Consolidated Sanctions List, FATF high-risk and other monitored jurisdictions lists, and the Basel AML Index
- Internal data: Agentbox customer and transaction records, and feedback from the sales team and buyer's agents

Note: Harbourline Real Estate must keep a register of AUSTRAC communications considered, recording the date, relevance to the business, changes made and by whom. The register is held in Google Drive and maintained by Danielle Okafor.

Designated services risk

AUSTRAC names real estate brokering as a higher-risk service. Property is attractive to criminals because it absorbs large sums in a single transaction, holds value, can be resold, and can be owned through companies and trusts that obscure who really controls it. The national risk assessment identifies real estate as one of the main channels for laundering proceeds of crime in Australia. The impact rating for both services is therefore High, regardless of how local or ordinary most transactions appear.

Brokering the sale of real estate for vendors

Around 140 transactions a year, mostly residential sales for owner-occupiers and local investors. Typologies relevant to this service include:

- A vendor selling a property that was purchased with proceeds of crime, so the sale converts tainted property into clean funds.
- Sale prices well above or below appraisal without a commercial reason, allowing value to move between parties.
- Rapid resale of a property shortly after purchase, particularly with a large unexplained price change.
- Vendors who are hard to identify, act through a representative, or who own the property through a company or trust whose controllers are unclear.
- Expat or overseas vendors where identity verification and the destination of sale proceeds are harder to check.

Buyer's agency: brokering the purchase of real estate for buyers

Two buyer's agents act for purchasers. Buyer's agency carries additional risk because the agent may be dealing with the customer's money at the point where it enters the property market.

- A buyer's agent acting for an undisclosed principal, or for a person whose identity or source of funds cannot be established.
- Purchases funded by third parties (family, associates, companies) with no clear relationship to the buyer.
- Purchases through family trusts, SMSFs or newly formed companies where the beneficial owners are not disclosed.
- Buyers who show no interest in the property, price or inspection, or who want to pay quickly with no negotiation.
- Deposits paid from an account in a different name from the buyer, or from overseas.

Sales trust account deposits

Deposits are received into the sales trust account by EFT only and no cash is accepted. This removes threshold transaction report exposure in ordinary operations but does not remove risk: deposits can still arrive from third parties or overseas accounts, and a buyer may ask for a deposit to be refunded to a different account. The program must include a control to detect and refuse any cash offered, and to identify third-party payers.

Customer risk

Most customers are individual owner-occupiers and local investors on the Northern Beaches, dealt with face-to-face and often known in the community. This group is very likely to be encountered but each transaction carries low impact. The features that raise a customer's risk for Harbourline Real Estate are:

- Companies and trusts (some): ownership through a family trust, corporate trustee or private company makes it harder to identify the individuals who ultimately own or control 25% or more, or otherwise control the customer. SMSF purchases (rare) add a layer of trustee and beneficiary identification.
- Foreign and non-resident customers (rare): expat vendors selling from overseas, and customers connected to the United Kingdom, Singapore and Hong Kong. Remote identification and overseas funds require closer checks.
- Politically exposed persons: none known, but no screening is currently done, so the business cannot yet say with confidence that none exist among its customers. A foreign PEP as customer, beneficial owner or representative is an automatic enhanced CDD trigger under AUSTRAC guidance.
- High-net-worth customers (some): larger transactions and more complex holding structures, and greater consequence if wealth turns out to be unexplained.
- Third-party representatives: powers of attorney, family members negotiating for elderly vendors, and buyers instructing through an intermediary. Risk arises where the representative controls the transaction and the actual customer is not seen.
- Unexplained wealth or adverse history: a customer whose stated occupation or circumstances do not fit the property price, or about whom adverse media or criminal history is known.
- Pre-commencement customers: customers already engaged on 1 July 2026 receive CDD when a trigger event arises or their risk warrants it.

[TO COMPLETE] [CONFIRM: approximate proportion of sales and purchases in the last 12 months involving a company, trust or SMSF buyer or vendor, from Agentbox]

Delivery channel risk

Face-to-face. The main channel for both offices. Staff meet vendors at appraisal and listing, and buyers at inspections and exchange. Original identity documents can be sighted. Risk is limited to poor-quality or forged documents and to staff not asking who the beneficial owner is.

Remote staff-assisted. Used for expat vendors selling from overseas and for interstate or busy customers who deal by email, phone and video. The customer is never physically met, identity documents arrive as copies, and instructions may come through a relative or agent. AUSTRAC identifies non-face-to-face dealing as a higher-risk channel. The program should require additional verification (for example certified copies, video identification or electronic verification) for remote customers.

Via intermediaries. Conveyancers are used for all contracts, and solicitors, mortgage brokers and referrers introduce customers. Where the business relies on identification done by another reporting entity (for example a conveyancer) it must have a written third-party reliance arrangement, assess that party's CDD, keep the assessment for 7 years, and remains responsible for the outcome. Where the intermediary is not a reporting entity, no reliance is possible and Harbourline Real Estate must do its own CDD. [CONFIRM: names of the conveyancing firms used and whether any third-party reliance is intended]

Jurisdiction risk

Harbourline Real Estate operates only in Australia, from two NSW offices, and almost all customers and funds are Australian. Australia rates well on the Basel AML Index and is a FATF member. Jurisdiction risk is therefore driven only by the small number of customers and funds connected to other countries.

Country	Connection	Treatment
Australia	Business operations, most customers and funds	Baseline; standard CDD
United Kingdom	Expat vendors; funds	Not on FATF lists at the date of this assessment; standard CDD with attention to remote verification and source of funds [CONFIRM: check current FATF list]
Singapore	Customers; funds	Not on FATF lists at the date of this assessment; standard CDD with source of funds check for incoming deposits [CONFIRM: check current FATF list]
Hong Kong	Customers (no funds recorded)	Not on FATF lists at the date of this assessment; standard CDD; confirm if funds are later received from Hong Kong [CONFIRM: check current FATF list]

For every new customer, beneficial owner and representative the program will check the DFAT Consolidated Sanctions List and the FATF high-risk and other monitored jurisdictions lists, and consult the Basel AML Index for any new country not in the table above. A customer, beneficial owner, beneficiary or representative located or formed in a FATF-identified high-risk jurisdiction is an automatic enhanced CDD trigger. The business reports no known dealings with FATF-listed jurisdictions.

Proliferation financing

Proliferation financing is the funding of weapons of mass destruction programs. AUSTRAC treats the risk as low where a business meets four indicators. Harbourline Real Estate:

- operates only in Australia;
- has no known exposure to high-risk or sanctioned jurisdictions;
- does not move money on behalf of customers beyond receiving EFT deposits into the sales trust account and disbursing them at settlement;
- does not deal in dual-use goods or technology.

Proliferation financing risk is assessed as Not likely with Low impact. The targeted financial sanctions screening applied at onboarding is the control that would detect a sanctioned person or entity, and the business must never deal with the assets of a person on the DFAT Consolidated Sanctions List.

Risk appetite and priority risks

Harbourline Real Estate has a low appetite for ML/TF risk. It will not act for a customer whose identity or beneficial ownership cannot be established, will not accept cash, and will not proceed with a transaction where an enhanced CDD trigger has arisen until the AML/CTF compliance officer has completed enhanced measures and a senior manager has approved. The highest-rated inherent risks are:

Priority risk	Why it matters here	Program response
Brokering sales for vendors (High)	Core service, named higher-risk by AUSTRAC; 140 transactions a year	Initial CDD before listing agreement; beneficial owner identification for entity vendors; monitoring of price, resale timing and instructions to redirect proceeds
Buyer's agency (High)	Agent may act for undisclosed principals; purchases through trusts and SMSFs	CDD before engagement; identify who funds the purchase; refuse undisclosed principals; escalate third-party payers
Foreign and non-resident customers (High)	Expat vendors dealt with remotely; overseas funds	Stronger remote verification; source of funds and source of wealth on reasonable grounds; sanctions and FATF checks; enhanced CDD if a FATF-listed link appears
Politically exposed persons (High)	No screening currently done	PEP screening for every customer, beneficial owner and representative from program start; foreign PEP triggers enhanced CDD and senior manager approval

Priority risk	Why it matters here	Program response
Companies, trusts and SMSFs (Medium)	Opaque structures hide control	Trust deed, ASIC extract and beneficial owner verification; higher risk rating and more frequent periodic review
Remote and intermediary channels (Medium)	Customer never met; reliance on conveyancers	Written reliance arrangements only with reporting entities; otherwise own CDD; more in-depth monitoring for remote customers

Customers rated high risk will be limited to face-to-face or strongly verified remote onboarding, reviewed more often, and escalated to Danielle Okafor before any deposit is accepted.

Review triggers and approval

This risk assessment and the AML/CTF policies are reviewed at least once every 3 years, and earlier when any of the following occurs:

- A change within the business's control, reviewed before the change is made: new services (for example commercial sales or project marketing), new delivery channels or technologies (for example online auctions or electronic identity tools), new customer types, or a new office or country.
- A change outside the business's control: a country the business deals with is added to the FATF lists, changes to the DFAT Consolidated Sanctions List, or a material change to the customer base.
- An AUSTRAC communication identifying a risk relevant to real estate agents, recorded in the AUSTRAC communications register.
- An adverse finding from an independent evaluation, an internal effectiveness check, or a pattern in suspicious matter reports.

Note: A senior manager must approve any update. The governing body is notified in writing as soon as practicable, and the update is documented within 14 days after it occurs. The first independent evaluation deadline for this business is set by the AML/CTF Transitional Rules 2026. [CONFIRM: first independent evaluation deadline]

Version	Date approved	Approved by (senior manager)	Summary of change	Provided to governing body on
1.0	[CONFIRM: date]	Danielle Okafor, Licensee in Charge / Director	Initial risk assessment	[CONFIRM: date]

[TO COMPLETE] Senior manager to insert approval date and sign; compliance officer to record the date the assessment was provided to the board of directors.

Risk register (inherent risk)

Inherent rating = Likelihood x Impact using AUSTRAC's 3x3 matrix (Very likely x Low = Medium). Ratings drive the customer risk criteria and the priority of controls in the AML/CTF Program.

Category	Risk factor	Likelihood	Impact	Inherent rating	Rationale	Key controls
Designated services	Brokering the sale of real estate for vendors (Real estate Item 1)	Likely	High	**High**	Core service with around 140 transactions a year; AUSTRAC names real estate brokering as a higher-risk service and property is a primary channel for laundering proceeds of crime.	Initial CDD before the agency agreement; beneficial owner identification for entity vendors; monitoring of price against appraisal, rapid resale and requests to redirect proceeds; SMR escalation
Designated services	Buyer's agency: brokering purchases for buyers (Real estate Item 1)	Likely	High	**High**	Two buyer's agents act at the point where funds enter the property market; risk of undisclosed principals, third-party funding and purchases through trusts or SMSFs.	CDD on the buyer and any principal before engagement; refuse undisclosed principals; identify the source of purchase funds; escalate third-party payers to the compliance officer
Designated services	Deposits into the sales trust account (EFT only)	Likely	Medium	**Medium**	Deposits can arrive from accounts in a different name or from overseas, and refund requests to a different	Match payer name to customer before receipting; refunds only to the originating account; control to

Category	Risk factor	Likelihood	Impact	Inherent rating	Rationale	Key controls
					account are a known typology; no cash is accepted so TTR exposure is low.	detect and refuse any cash and lodge a TTR if cash of A$10,000 or more is ever received
Customer types	Individual owner-occupiers and local investors	Very likely	Low	**Medium**	Most customers; Australian residents on the Northern Beaches, usually met in person with straightforward funding from savings, mortgage or a prior sale.	Standard initial CDD with document verification; simplified measures where risk is low; ongoing monitoring against the customer profile
Customer types	Domestic companies as buyer or vendor	Likely	Medium	**Medium**	Some customers buy or sell through private companies; company ownership can obscure the individuals who own or control 25% or more.	ASIC company extract; identify and verify each beneficial owner and controlling director; PEP and sanctions checks on all of them
Customer types	Family trusts and SMSFs	Likely	Medium	**Medium**	Some purchases are made through family trusts and rarely through SMSFs; trusts are identified in the national risk assessment as structures used to hide beneficial ownership.	Obtain trust deed and trustee details; identify beneficiaries, appointors and controllers; verify trustee company beneficial owners; higher customer risk rating and more frequent periodic review
Customer types	Foreign and non-resident customers, including expat vendors	Not likely	High	**Medium**	Rare, but expat vendors selling from overseas cannot be met in person and	Stronger remote verification (certified copies, video

Category	Risk factor	Likelihood	Impact	Inherent rating	Rationale	Key controls
					funds or proceeds cross borders, making identity, source of funds and sanctions checks harder.	or electronic verification); FATF, DFAT and Basel checks; source of funds and source of wealth on reasonable grounds; enhanced CDD if any FATF-listed link
Customer types	Politically exposed persons (domestic, foreign or international organisation)	Not likely	High	**Medium**	None known, but no PEP screening is currently performed so exposure cannot be ruled out; a foreign PEP is an automatic enhanced CDD trigger and carries high corruption-proceeds risk.	PEP screening of every customer, beneficial owner and representative at onboarding and periodically; foreign PEP triggers enhanced CDD, source of wealth and senior manager approval
Customer types	High-net-worth customers	Likely	Medium	**Medium**	Some customers transact at high values on the Northern Beaches, often through structures; larger sums mean greater consequence if wealth is unexplained.	Nature and purpose of the relationship recorded; source of funds enquiry for large or complex transactions; escalation where wealth does not match the customer profile
Customer types	Third-party representatives and intermediary-introduced customers	Likely	Medium	**Medium**	Powers of attorney, family members acting for vendors and referrals from brokers and solicitors are common; the	Identify and verify both the customer and the representative; confirm authority to act; do not accept instructions

Category	Risk factor	Likelihood	Impact	Inherent rating	Rationale	Key controls
					actual customer may never be seen and the representative may control the transaction.	from undisclosed principals; written reliance arrangements only with reporting entities
Customer types	Customers offering physical cash	Not likely	High	**Medium**	Cash is not accepted and deposits are EFT only, but an offer of cash for a deposit is itself a red flag in the AUSTRAC real estate indicators.	No-cash policy communicated to all staff; any cash offered is refused, recorded and escalated to the compliance officer for SMR consideration; TTR lodged within 10 business days if cash of A$10,000 or more is ever received
Delivery channels	Face-to-face dealings at Dee Why and Mona Vale	Very likely	Low	**Medium**	The main channel for all seven customer-facing staff; original documents can be sighted and the customer's behaviour observed.	Sight and copy original identity documents; staff trained to ask about beneficial ownership and purpose; unusual behaviour escalated via the unusual activity report form
Delivery channels	Remote staff-assisted dealings (email, phone, video)	Likely	Medium	**Medium**	Used for expat vendors and interstate customers; AUSTRAC treats non-face-to-face dealing as higher risk because documents are	Additional verification for remote customers (certified copies, video identification or electronic verification); confirm instructions

Category	Risk factor	Likelihood	Impact	Inherent rating	Rationale	Key controls
					copies and instructions may come through others.	with the customer directly; more in-depth monitoring
Delivery channels	Dealings via intermediaries (conveyancers, solicitors, brokers, referrers)	Likely	Medium	**Medium**	A conveyancer is used on every contract and referrers introduce customers; reliance on another party's identification without a proper arrangement leaves gaps the business remains responsible for.	Third-party reliance only under a written arrangement with a reporting entity, assessed and recorded for 7 years; otherwise own CDD; request to verify information form used for each reliance
Foreign jurisdictions	Australia-only operations and Australian customers	Very likely	Low	**Medium**	Both offices are in NSW and almost all customers and funds are Australian; Australia is a FATF member with a strong Basel AML Index rating.	Standard CDD; DFAT sanctions check on every customer, beneficial owner and representative
Foreign jurisdictions	Customers and funds connected to the United Kingdom, Singapore and Hong Kong	Not likely	Medium	**Low**	Rare foreign customers and occasional overseas funds; none of these countries is on the FATF lists at the date of this assessment, but cross-border funds warrant source of funds checks. [CONFIRM: check current FATF list]	FATF and Basel AML Index check for every non-Australian connection; source of funds evidence for overseas deposits; enhanced CDD automatically if a FATF-listed jurisdiction is involved
Proliferation	Proliferation	Not likely	Low	**Low**	The business	DFAT

Category	Risk factor	Likelihood	Impact	Inherent rating	Rationale	Key controls
financing	financing exposure				operates only in Australia, has no high-risk-jurisdiction exposure, does not move money beyond trust account deposits and does not deal in dual-use goods, meeting AUSTRAC's four low-risk indicators.	Consolidated Sanctions List screening at onboarding and on list updates; immediate escalation and no dealing with assets of any listed person or entity

Risk matrix — count of factors

Likelihood \ Impact	Low	Medium	High
Very likely	3 — Individual owner-occupiers and local investors, Face-to-face dealings at Dee Why and Mona Vale, Australia-only operations and Australian customers	0	0
Likely	0	7 — Deposits into the sales trust account (EFT only), Domestic companies as buyer or vendor, Family trusts and SMSFs, High-net-worth customers, Third-party representatives and intermediary-introduced customers, Remote staff-assisted dealings (email, phone, video), Dealings via intermediaries (conveyancers, solicitors, brokers, referrers)	2 — Brokering the sale of real estate for vendors (Real estate Item 1), Buyer's agency: brokering purchases for buyers (Real estate Item 1)
Not likely	1 — Proliferation financing exposure	1 — Customers and funds connected to the United Kingdom, Singapore and Hong Kong	3 — Foreign and non-resident customers, including expat vendors, Politically exposed persons (domestic, foreign or international organisation), Customers offering physical

Likelihood \ Impact	Low	Medium	High
			cash

Summary by category

Category	Factors	High	Medium	Low	Highest rating
Designated services	3	2	1	0	High
Customer types	8	0	8	0	Medium
Delivery channels	3	0	3	0	Medium
Foreign jurisdictions	2	0	1	1	Medium
Proliferation financing	1	0	0	1	Low

Overall inherent risk

Overall inherent ML/TF risk: Medium (matrix-derived: Medium).

Harbourline Real Estate provides a service AUSTRAC names as higher-risk, at meaningful volume, with some customers using companies, trusts and SMSFs and occasional remote or overseas dealings, so several factors rate High before controls. This is balanced by a customer base that is overwhelmingly local individuals dealt with face-to-face, no cash, Australia-only operations and no known links to FATF-listed jurisdictions. The overall inherent risk is Medium, with the program's effort concentrated on beneficial ownership, PEP and sanctions screening, remote customers and source of funds for buyer's agency and overseas transactions.

Version history and approval

This document takes effect once the senior manager named below has reviewed, adapted where needed, and signed the approval line for the current version.

Version	Date	Approved by	Signature
1.0	3 September 2026	Danielle Okafor (Licensee in Charge / Director)	