



# LendPlus Commercial Workshop



	Commercial Full Doc	Commercial Alt Doc	Lease Doc
<b>Loan Purpose</b>	Purchase, refinance or equity release of residential or commercial property		
<b>Suitable Borrowers</b>	Individual, Company or Trust		
<b>Property Type</b>	Owner Occupied or Investment	Owner Occupied or Investment	Investment Only
<b>Min. Loan Amount</b>	\$250,000	\$250,000	\$100,000
<b>Max. Loan Amount</b>	≤70% LVR Max. \$3,000,000 >70% LVR Max. \$2,000,000 Max. Exposure \$5,000,000	≤70% LVR Max. \$3,000,000 >70% LVR Max. \$2,000,000 Max. Exposure \$5,000,000	≤70% LVR Max. \$3,000,000 Max. Exposure \$5,000,000
<b>Max. LVR</b>	80%	75%	70%
<b>Loan Term</b>	10-30 years	10-30 years	10-30 years (subject to lease term)
<b>Acceptable Securities</b> <i>(Refer to Acceptable Security Location Postcodes List)</i>	<ul style="list-style-type: none"> <li>Category 1 and Category 2 Postcodes</li> <li>Residential securities</li> <li>Commercial securities (office, warehouse, factory, retail premises and light industrial)</li> </ul> <i>Specialised securities considered case by case</i>	<ul style="list-style-type: none"> <li>Category 1 and Category 2 Postcodes</li> <li>Residential securities</li> <li>Commercial securities (office, warehouse, factory, retail premises and light industrial)</li> </ul> <i>Specialised securities considered case by case</i>	<ul style="list-style-type: none"> <li>Category 1 and Category 2 Postcodes</li> <li>Commercial securities (office, warehouse, factory, retail premises and light industrial)</li> </ul> <i>Specialised securities considered case by case</i>
<b>Income Documentation</b>	<b>PAYG</b> <ul style="list-style-type: none"> <li>2 consecutive payslips; AND</li> <li>3 months bank statements showing salary paid by employer</li> </ul>	<b>PAYG</b> <ul style="list-style-type: none"> <li>2 consecutive payslips; AND</li> <li>3 months bank statements showing salary paid by employer</li> </ul>	<ul style="list-style-type: none"> <li>Current lease agreement; AND</li> <li>Statement of Position</li> </ul>
	<b>Self-employed</b> <ul style="list-style-type: none"> <li>Latest 2 years financials</li> <li>Latest 2 years ATO Notice of Assessments</li> </ul>	<b>Self-employed</b> <ul style="list-style-type: none"> <li>Borrower income declaration; AND</li> <li>ONE of the following                             <ul style="list-style-type: none"> <li>Accountant Declaration</li> <li>6 months lodged BAS</li> <li>3 months Business Bank Statements</li> </ul> </li> </ul> <i>Active ABN for at least 2 years (If Turnover is &gt;\$75,000 must be registered for GST for minimum 12 months)</i>	
<b>Cash Out</b>	Unlimited		
<b>Debt Consolidation</b>	Up to 5 unsecured debts (<3 credit cards, ATO debts not accepted)		
<b>Credit History</b>	Default paid up to \$500 may be considered		
<b>Split Loan</b>	Up to 5 loan splits		
<b>Repayment Options</b>	Principal and Interest   Interest Only up to 5 years followed by Principal and Interest		
<b>Repayment Methods</b>	Direct Debit   BPAY   Pay anyone		

Variable rate p.a.		Commercial Full Doc		Variable rate p.a.		Commercial Alt Doc		Variable rate p.a.		Commercial Lease Doc	
		Owner Occupied or Investment				Owner Occupied or Investment				Investment	
		P&I or IO				P&I or IO				P&I or IO	
LVR	≤65%	7.99%		LVR	≤65%	8.49%		LVR	≤65%	8.09%	
	≤70%	8.09%			≤70%	8.79%			≤70%	8.29%	
	≤75%	8.29%			≤75%	8.99%					
	≤80%	8.49%									

Fees and Charges		Commercial Full Doc	Commercial Alt Doc	Commercial Lease Doc
<b>Conditional Offer</b>	Valuation and administration fee	At cost	At cost	At cost
<b>Settlement</b>	Application fee	\$660	\$660	\$660
	Establishment fee*	0.85%	1%	1%
	Lenders legal fees	At cost, plus disbursements	At cost, plus disbursements	At cost, plus disbursements
<b>Other fee</b>	Early repayment fee*	1 month interest	1 month interest	1 month interest
<b>Discharge</b>	Discharge fees	\$550, plus lenders legal fees at cost		

\*Of the original loan amount.

# LendPlus Commercial – LendPlus Lift

	LendPlus Lift	
<b>Loan Purpose</b>	Purchase, refinance or equity release of residential or commercial property	
<b>Suitable Borrowers</b>	Company	
<b>Loan Term</b>	Min. 3 months, Max. 3 years	
<b>Min. Loan Amount</b>	\$250,000	
<b>Max. Loan Amount</b>	<b>Residential Security</b> ≤65% LVR Max. \$5,000,000 >65% LVR Max. \$2,000,000 Max. Exposure \$5,000,000	<b>Commercial Security</b> ≤60% LVR Max. \$5,000,000 >60% LVR Max. \$2,000,000 Max. Exposure \$5,000,000
<b>Max. LVR</b>	<b>Residential Security</b> <ul style="list-style-type: none"> <li>70% LVR for houses and townhouses</li> <li>65% LVR for apartment units</li> <li>55% LVR for residential vacant land (LVR approved on a case by case basis)</li> </ul>	<b>Commercial Security</b> <ul style="list-style-type: none"> <li>65% LVR (LVR approved on a case by case basis)</li> </ul>
<b>Acceptable Securities</b> <i>(Refer to Acceptable Security Location Postcodes List)</i>	<ul style="list-style-type: none"> <li>Category 1 Postcodes</li> </ul>	
<b>Income Documentation</b>	<ul style="list-style-type: none"> <li>Statement of Position</li> <li>Signed and dated Borrower Declaration declaring borrower(s) capacity to meet the proposed loan repayment and confirming Exit Strategy</li> <li>Rental statement if property is tenanted</li> <li>Current 6 months loan statement if refinance</li> </ul>	
<b>Cash Out/ Debt Consolidation</b>	Unlimited	
<b>Credit History</b>	Credit impairment may be considered	
<b>Split Loan</b>	Up to 5 loan splits	
<b>Repayment Options</b>	Interest Only monthly repayment in advance	
<b>Repayment Methods</b>	Direct Debit   BPAY   Pay anyone	

Variable rate p.a.		Interest Only Repayment	
		Residential	Commercial
LVR	≤55%	9.29%	11.29%
	≤60%		12.29%
	≤65%	10.29%	
	≤70%		
Possible Add On(s)		Loans > \$3m + 0.5% p.a.	
		Apartment unit + 0.5% p.a. Vacant land + 1% p.a.	-

Fees and Charges		
<b>Submission</b>	Valuation and administration fee	At cost, paid upfront
<b>Indicative Offer</b>	Commitment fee	\$1950, to be refunded at Settlement <b>Non-refundable if not proceeding</b>
	Lenders legal fees	At cost incurred
<b>Settlement</b>	Establishment fee*	From 2% (including 0.5% Brokerage Fee)
	Line Fee	0.1% of Limit, payable annually in advance
<b>Other fee</b>	Early repayment fee*	1 month interest, subject to minimum 3 months loan term
<b>Discharge</b>	Discharge fees	\$1950, plus lenders legal fees at cost

\*Of the original loan amount.



## Borrower characteristics & financial situation

LendPlus Commercial Full Doc loan is designed for borrowers who:

- are either PAYG or self-employed
- have a clean credit history
- want a competitively priced loan
- can provide full income documentation for verification



## Borrower objectives

- Purchase commercial property for investment
- Purchase new commercial property for their business premises
- Refinance existing commercial property
- Access equity using commercial property



## Typical target customer profile:

Peter is a PAYG employee for a company and purchased a commercial warehouse in Silverwater for investment to expand his property investment portfolio.

He can provide full income documentation, including his two most recent payslips and three-month bank statement, to support his income.

Peter's income, plus the proposed rental income from the warehouse, is sufficient to support the loan.

LendPlus can provide Peter with a commercial loan with a 30-year term at 75% LVR to complete the purchase.



## Borrower characteristics & financial situation

LendPlus Commercial Alt Doc loan is designed for borrowers who:

- are self-employed
- have a clean credit history
- have not completed their full financials or have a complex income structure
- are seeking an alternative income verification method to satisfy the loan servicing requirements



## Borrower objectives

- Purchase commercial property for investment
- Purchase new commercial property for their business premises
- Refinance existing commercial property
- Access equity using commercial property



## Typical target customer profile:

Henry operates a kitchen cabinetry business and, as the business is growing, he decided to purchase a warehouse for the business to use instead of renting.

However, as the business is just over 2 years old, the financials for the most recent year haven't been finalised. Instead of 2 years' full financials, Henry is able to provide an account letter or the two most recent BAS statements to prove his income. His declared income is sufficient to service the loan.

LendPlus can provide Henry with a commercial Alt Doc loan with a 30-year term at 70% LVR by assessing his declared income through the accountant letter to complete the purchase.



## Borrower characteristics & financial situation

LendPlus Commercial Lease Doc loan is designed for borrowers who:

- are property investors
- have a clean credit history
- are seeking a simple and flexible solution by relying on the lease income of a new purchase property only to service the loan, rather than assessing their entire financial situation.



## Borrower objectives

- Purchase commercial property with an existing lease for investment
- Refinance existing commercial property with an existing lease
- Access equity using commercial property with an existing lease



## Typical target customer profile:

Joanna purchased an office in Sydney CBD for investment. The office has been leased out for the past few years with stable lease income, and the remaining term of the current lease is 2 years plus a 3-year option.

Joanna is looking to borrow 65% of the property value, and the lease income is sufficient to cover the mortgage repayment.

LendPlus can provide Joanna with a 5-year Lease Doc loan at 65% LVR by only assessing the lease income. Joanna can renew the loan with LendPlus or refinance to other lenders before the loan term ends.

This product is designed for borrowers who are:



## Borrower characteristics & financial situation

SMEs and property investors, who:

- Are asset rich;
- Are looking for a short-term solution;
- Have had unexpected events, change in business circumstances or relationships;
- Are non-standard income earners (difficult to provide standard income documentation required by traditional lenders);
- May have minor credit impaired history;
- Need urgent settlement or don't have time to go through the standard home loan process.




## Borrower objectives

- Urgent settlement;
- LendPlus finance – buying before selling;
- Investing – house renovation to sell;
- Acquisition of small scale development sites;
- Quick working capital;
- Funding for business expansion;
- Equipment acquisition and/or upgrade;
- Debt consolidation (credit cards, ATO debts etc.);
- Equity release for business purposes.



Typical target customer profiles:



### Equipment purchase and working capital

- Mike recently started his bakery business.

#### Scenario:

- Mike wishes to purchase a new oven and other equipment for his new bakery. He also needs working capital to get the bakery up and running.
- Mike has an investment property in Sydney that he purchased several years ago. Based on current valuation LVR is <50%.
- However, Mike can't obtain finance from a mainstream bank given the lack of historical financials for his new business.

#### LendPlus Solution:

- 18-month Interest Only loan secured against his investment property.
- Exit strategy: Mike will prepare financials and other income documentation and refinance to a near prime home loan lender in 18-months.



### Urgent settlement

- Monica owns a real estate consultancy business.

#### Scenario:

- Monica wishes to purchase a property in NSW.
- Monica has a portfolio of investment properties with sufficient equity to cash out the capital needed to finance her new purchase.
- However, Monica's finance has fallen through, and the vendor has issued a rescission notice. Monica doesn't have enough time to switch to another lender.

#### LendPlus Solution:

- 6-month Interest Only loan secured against Monica's two existing investment properties and new purchase.
- Exit strategy: Monica will refinance to a home loan lender within 6-12 months.



### Business Restructure

- Jessica and her husband own an accounting business together.

#### Scenario:

- Jessica is divorcing her husband and must restructure their business.
- Jessica needs to raise cash to settle matters.
- Jessica has an unencumbered investment property in Sydney.
- It will be difficult for Jessica to arrange a bank loan promptly given the recent change of business structure.

#### LendPlus Solution:

- Cash out from Jessica's investment property. 12-month Interest Only.
- Exit strategy: Jessica will pay off or refinance to a home loan lender after the business restructuring is completed.

Typical target customer profiles:



### Land Acquisition

- Charles is high net worth individual, and wishes to invest and develop small scale residential projects.

#### Scenario:

- Charles wishes to acquire a Metro residential block with the potential for a small scale sub-division.
- However, Charles's financials show inconsistent cash flow which will cause traditional bank financing to be challenging.

#### LendPlus Solution:

- 18-month Interest Only loan at 55% LVR.
- Exit strategy: Charles will refinance to a development loan lender once he is ready to commence development works.



### LendPlus loan – Buying before selling

- James is a professional property investor. He holds 5 investment properties.

#### Scenario:

- James wishes to purchase another investment property in Melbourne and sell an existing property.
- However, James has a temporary stress to serviceability, given the settlement mismatch between the new property he is looking to acquire, and the settlement of the property he is seeking to dispose of.

#### LendPlus Solution:

- 6-month Interest Only loan. Cash out from his existing investment properties and borrow against his new purchase at 70% LVR.
- Exit strategy: James will refinance to a home loan lender once his existing investment property is sold.



### Credit impaired

- Robert runs a busy restaurant in Melbourne CBD.

#### Scenario:

- Robert's investment property is about to settle.
- During Covid lockdown, like other small business owners, Robert struggled to manage bills and payments, which caused a few defaults to be listed on his credit file. Although his business is now back on track, Robert still cannot fit into mainstream lenders' criteria. He is eligible for specialist lenders, however the process is time consuming.
- Robert has sold his other investment property and therefore has > 30% deposit for his new purchase.

#### LendPlus Solution:

- 12-month Interest Only loan for his new purchase at 70% LVR.
- Exit strategy: Robert will refinance to a near prime lender.