

Fact Sheet(s) on loans secured by 2nd Mortgage(s)

EquityLenders.com.au is your intermediary with arrangements in place to provide you with loan offers from Australia's leading private lenders secured by **2nd Mortgages** and offered to:



Homeowners and property owners with an existing bank loan, non-bank loan or private loan on property(s) that require an equity release secured by 2nd mortgage(s)



What you need to consider before making a decision on which lender assists you with your loan requirements especially if you can't afford to wait - We give you options!

We offer loans from providers including: **Mortgage Managers, Direct Lenders & Combo Lenders**

Mortgage Managers manage funds on behalf of private individuals, SMSF Trustees, family offices and Managed Fund Providers. Their loans are tailored to individual situations. Their objective is to provide generous investor returns on a long-term basis

Direct Lenders operate Pooled Mortgage Funds on behalf of Mum & Dad investors and SMSF's wanting a regular income stream. Their objective is to provide investor returns on a short-term basis

Combo Lenders are Direct Lenders that administer their own funding lines and Mortgage Manage funds on behalf of private individuals. Their objective is to provide returns to their own funding line and their lenders on both a short-term and long-term basis



Benefits of using a Mortgage Manager

Interest rates are lower i.e from 14.95% per annum compared to 24% per annum

Longer loan terms i.e up-to 7 years

Loan amounts are lower for borrowers seeking smaller loans i.e from \$30,000

Mortgage Managers often hold licencing to offer NCCP loans for non-business purposes

Unused interest as a result of early loan repayment may be refunded on case-by-case basis



Drawbacks of using a Mortgage Manager

Loan decisions and offer letters can take 24-48 hours or longer for due-diligence

Always require a valuation i.e full, kerbside, desktop to be undertaken on security property

1st Mortgagee Formal Debt Confirmation IS required prior to loan being funded and often requires a minimum of 7 days and longer. Allow several weeks to receive confirmation

Credit checks may be undertaken on the borrower(s) at mortgage managers discretion



Benefits of using Direct Lenders

Loan decisions and offer letters within 1-2 hours in most situations

Depending on Lvr, valuations not required or desktop valuations undertaken in house

Approval to settlement times are often 48-96 hours for borrowers requiring fast funds

No credit checks

1st Mortgagee consents and deeds of priority are NOT required prior to loan being funded



Drawbacks of using Direct Lenders

Interest rates are higher i.e 24% per annum compared to up-to 14.95% per annum

Lender fees are higher i.e \$4,950 compared to \$2,995 offered by Mortgage Managers

Unused interest as a result of early loan repayment is not refunded



Benefits of using Combo Lenders

Interest rates are determined on a case-by-case basis to win the business

Fees are negotiable to win the business



Drawbacks of using Combo Lenders

1st Mortgagee Formal Debt Confirmation IS required prior to loan being funded and often requires a minimum of 7 days and longer. Allow several weeks to receive confirmation

Additional fees for risk may apply, higher interest rates for risk may apply, require documentary evidence of funds use, restrictions on location, land area, security type, Lvr

Private Loan secured by Reg'd 2nd Mortgage

EquityLenders

Effective as at: 15/03/2019

Lender: CG

About this lender	Is a Combo Lender providing their own funds and a Mortgage Manager offering funds from high net worth individuals, Managed Funds, Super Funds (SMSF's) and family offices
Strengths of this lender	Low interest rates, long-term loans, NCCP licence for Code loans, unused interest refunded*
Weaknesses of this lender	Indicative Quote takes up-to 8 hours or more, approval of loan to settlement typically 21 days+. Lender require 1st Mortgagee Debt Confirmation before settlement proceeds, credit
Interest Rate (Resi)	From 14.95%* p.a to 21%^ *based on min 6-month term. ^ based on less than 6-month term
Interest Rate (Comm'l)	From 14.95%* p.a to 21%^ *based on min 6-month term. ^ based on less than 6-month term
Principal & Interest	Yes, P&I repayments (balloon or no balloon option). Note: Interest rate is reduced by up-to 1% p.a when making monthly loan repayments (not capitalised into the loan)
Interest Payments	Borrower can request a tailored repayment solution
Loan Term (Minimum)	1-2 months
Loan Term (Maximum)	Up-to 24 months for NCCP (Code) loans & up-to 84-months for non-NCCP loans
Rollover Term(s)	Available subject to acceptable loan repayment history per request
Suitability	Purchase, Refinance, Equity Release*, Construction *may require documentary evidence
Max LVR Residential	Up-to 75% and lender decides if using forced-sale or market value of property/s
Max LVR Commercial	Up-to 75% and lender decides if using forced-sale or market value of property/s
Max LVR Vacant Land	Up-to 75% and lender decides if using forced-sale or market value of property/s
Min Loan Amount	\$30,000 for Business Use
Min Loan Amount	\$30,000 for Personal Use
Max Loan Amount:	Up-to \$750,000 on case-by-case basis
Acceptable Borrowers - Business	Company, Corporate Trustee, Family Trust, Individual^ and ABN Holder with business bank account* *ABN holders require an event-based exit strategy i.e property sale. ^ Requires documentary evidence of funds use. Expect lender to call
Acceptable Borrowers - Personal Names (NCCP)	Yes. e.g signed agency agreement confirming property is being marketed for sale
Loan Purpose - Business	Any worthwhile business or investment purpose
Loan Purpose - Personal	Any worthwhile consumer or investment purpose (NCCP)
Eligible Security	Residential, Commercial, Industrial, Retail & Vacant Land
Rural Property & Land?	Yes
Eligible Locations	Australia-wide including Capital Cities, Major Coastal Areas and Major Regional Areas
Construction	Yes to max \$3,000,000 with drawdowns to 65% lvr GRV net of GST including fees and interest
Establishment Fee	\$2,995 or 2.2% of the loan amount - whichever is the greater and included in the loan amount
Equity Lenders P/L Fee	\$2,995 or 2.2% of the loan amount - whichever is the greater and included in the loan amount
Lending Manager Fee	From \$1,000 incl of GST (if applicable) based on loan amount and included in the loan amount
Urgent Settlement Fee	N/A
Commitment Fee	Lender does not have a commitment fee
Valuation Fee	From \$300 + GST (Desktop) and from \$600 + GST (Full). Lender will quote and fee is payable upfront to the lender
Legal Fee	From \$1,500 + GST + Disbursements and is included in the loan amount
Valuations	50% of valuation fee may be returned for good loan conduct upon discharge. BYO valuations accepted in unserviced areas as per lender approval
Joint and Several Guarantees	All third-party security providers, all directors (particularly shareholder directors) of the borrowing entity, any corporate shareholder of the borrowing entity
Indicative Letter of Offer	Accepted and returned letters may result in Lenders Solicitor placing Caveats on property/ies
Documentation	Completed Equity Lenders application pack + rates notices + ID's + bank statements

Equity Lenders Pty Ltd | Ph: 1300 859 075 | loans@equitylenders.com.au | P.O. Box 353 Mt Ommaney Qld 4074
equitylenders.com.au | Level 14, Governor Stirling Tower, 197 St Georges Terrace, PERTH WA 6000

Private Loan secured by Reg'd 2nd Mortgage

EquityLenders

Effective as at: 15/03/2019

Lender: PM

About this lender	Is a Direct Lender using their own funds making in-house decisions
Strengths of this lender	Application-to-offer in 1-2 hours, interest rate low, unused interest refunded, approval of loan to settlement timeframes i.e 48-72 hours, construction and development loans. Offers coded loans
Weaknesses of this lender	Requires valuation(s), requires credit check(s), requires non-refundable assessment fee
Interest Rate (Resi)	From 1.25% per calendar month
Interest Rate (Comm'l)	From 1.25% per calendar month
Loan Management Fee	None advised
Principal & Interest?	Not offered by lender
Interest Payments	Monthly in advance & capitalised into the loan within LVR guidelines
Loan Term (Minimum)	2-months
Loan Term (Maximum)	Up-to 36-months
Rollover Term(s)	Available upon request
Suitability	Purchase, Refinance, Equity Release, Cashout
Max LVR Residential	Up-to 80% but typically 75% based on category location(s)
Max LVR Commercial, Industrial & Retail	Up-to 75% based on category location(s)
Max LVR Vacant Land	Up-to 70% based on category location(s)
Min Loan Amount:	\$100,000 Company, Corporate Trustee, ABN Name
Min Loan Amount:	\$200,000 for non-code (NCCP) in personal name(s)
Max Loan Amount:	\$2,000,000
Acceptable Borrowers	Individuals, Partnerships, Companies, Trusts
Acceptable Borrowers (Personal Names NCCP)	Loans in personal names are available to max 62-day loan terms for any worthwhile purpose(s)
Loan Purpose - Business	Any worthwhile business or investment purpose
Loan Purpose - Personal	Any worthwhile consumer or investment purpose
Eligible Security	Residential, Commercial, Industrial, Retail & Vacant Land
Rural Property & Land?	Yes, major locations considered
Eligible Locations	Australia-wide including Capital Cities, Major Coastal Areas and Major Regional Areas
Construction (drawdowns)	To 70% of GRV, ex GST inclusive of fees and capitalised interest
Lender Establishment Fee	\$100,000 to \$500,000 = 3.5%+ GST \$500,001 to \$1,000,000 = 3%+ GST
Equity Lenders P/L Fee	\$2,995 or 2.2% of the loan amount - whichever is the greater and is included in the loan
Lending Manager Fee	N/A
Urgent Settlement Fee	Not offered by lender
Commitment Fee	From \$770 to \$990 and payable after issue of Indicative Letter of Offer - non-refundable
Valuation Fee	From \$500 + GST. Lender will quote if val is required and fee is payable upfront to the lender
Legal Fee	At cost \$3,850 to \$5,850 incl disbursements and included in the loan. Depends on complexity
Valuations	Valuation not purchase price - Lender uses valuation to base LVR on
Joint and Several Guarantees	All third-party security providers, all directors (particularly shareholder directors) of the borrowing entity, any corporate shareholder of the borrowing entity
Indicative Letter of Offer	No charging clause and No cancellation fees in the Indicative Letter of Offer
Documentation	Completed Equity Lenders application pack + rates notices + ID's

Equity Lenders Pty Ltd | Ph: 1300 859 075 | loans@equitylenders.com.au | P.O. Box 353 Mt Ommaney Qld 4074
equitylenders.com.au | Level 14, Governor Stirling Tower, 197 St Georges Terrace, PERTH WA 6000

Private Loan secured by Reg'd 2nd Mortgage

EquityLenders

Effective as at: 15/03/2019

Lender: AS

About this lender	Is a Direct Lender using their own funds making in-house decisions
Strengths of this lender	Application-to-offer in 1-2 hours, approval of loan to settlement timeframes i.e 48-72 hours*. No 1st mortgagee consent or deed of priority required prior to settlement, no credit checks
Weaknesses of this lender	Unused interest not refunded, max loan term 6-months, capitalise interest for max 6-months
Interest Rate (Resi)	Up-to 2% per calendar month (up-to 24% p.a)
Interest Rate (Comm'l)	Up-to 2% per calendar month (up-to 24% p.a)
Loan Management Fee	0.2% per month (up-to 2.4% p.a) if loan is in arrears and payable upon discharge
Principal & Interest?	Not offered by lender
Interest Payments	Monthly in advance. Monthly repayments and can be capitalised into the loan within LVR guidelines for term of the loan but typically up to max 6-months
Loan Term (Minimum)	2-months
Loan Term (Maximum)	Up-to 12-months but typically 6-months and then rollover may be offered by lender
Rollover Term(s)	0.5%, 1% & 1.5% of loan amount subject to acceptable loan repayment history upon request
Suitability	Refinance, Equity Release, Cashout
Max LVR Residential	Up-to 75% but typically 72.5% based on market valuation(s)
Max LVR Commercial, Industrial & Retail	Up-to 65% based on market valuation(s)
Max LVR Vacant Land	Up-to 65% based on market valuation(s)
Min Loan Amount:	\$50,000 Company, Corporate Trustee, ABN Name
Min Loan Amount:	\$200,000 and is non-code (NCCP) Personal Name(s)
Max Loan Amount:	\$5,000,000
Acceptable Borrowers - Business	Company, Corporate Trustee, Family Trust, ABN Holder or Individual
Acceptable Borrowers - Personal Name(s)	Loans in personal names are available to max 62-day loan terms and suitable for homeowners and property owners requiring short-term bridging loans
Loan Purpose - Business	Any worthwhile business or investment purpose
Loan Purpose - Personal	Any worthwhile consumer or investment purpose that doesn't exceed 62-day loan term
Eligible Security	Residential, Commercial, Industrial, Retail & Vacant Land
Rural Property & Land?	Yes, major locations considered
Eligible Locations	Australia-wide including Capital Cities, Major Coastal Areas and Major Regional Areas
Construction	Not currently offered by lender
Lender Establishment Fee	\$4,950 or 2.2% of the loan amount - whichever is the greater and is included in the loan
Equity Lenders P/L Fee	\$2,995 or 2.2% of the loan amount - whichever is the greater and is included in the loan
Urgent Settlement Fee	From \$5,500 if applicable for same-day settlements payable to lender
Commitment Fee	Lender does not have a commitment fee
Valuation Fee	From \$500 + GST. Lender will quote if val is required and fee is payable upfront to the lender
Legal Fee	\$2,450 + Disbursements and is included in the loan in most cases. Purchasers pay upfront
Valuations	No valuation req'd if 50% lvr and lower, desktop valuation 50.01 to 60%, full valuation 60.01%+ instructed by lender. BYO valuations accepted if less than 3 months old
Joint and Several Guarantees	All third-party security providers, all directors (particularly shareholder directors) of the borrowing entity, any corporate shareholder of the borrowing entity
Indicative Letter of Offer	Accepted and returned letters may result in Lenders Solicitor placing Caveats on property/ies
Documentation	Completed Equity Lenders application pack + rates notices + ID's + 1st Mortgagee request(s)

Equity Lenders Pty Ltd | Ph: 1300 859 075 | loans@equitylenders.com.au | P.O. Box 353 Mt Ommaney Qld 4074
equitylenders.com.au | Level 14, Governor Stirling Tower, 197 St Georges Terrace, PERTH WA 6000