

# Fact Sheet(s) on loans secured by Caveat(s)

**Equity**Lenders.com.au is your intermediary with arrangements in place to provide you with loans from Australia's leading Private and Direct lenders secured by **Caveats** and offered to:



Homeowners and property owners with an existing bank loan, non-bank loan or private loan on one or more property(s) and require an immediate equity release no matter what



**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 **Private Lenders** and **Direct Lenders**

**Private Lenders** include private individuals, SMSF Trustees and family offices. They are comfortable with higher lvr's and most purposes and require rate for risk returns on a short-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



## Benefits of using a Private Lender

Can make immediate decisions and prepare loan agreements within hours

Have no set lvr's and no valuation requirements on most occasions

Have no restrictions on locations

Have no minimum or maximum loan amounts

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



## Drawbacks of using a Private Lender

Higher interest rates often from 3% per month to 6% per month

Default interest rate 2 or 3 times higher than the discounted rate

Letters of demand issued if 1+ day(s) late in repayment

Default interest rate applied if 1+ day(s) late in repayment

Lender establishment fees can be 2 times higher than Direct Lenders



## 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, no criminal checks, no bankruptcy searches

Interest rates are the same for 2nd Mortgages as they are for loans secured by Caveats

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



## Drawbacks of using Direct Lenders

Minimum loan term is set at 2-months compared to Private Lenders with 1-month term

Have restrictions on locations

Have restrictions on lvr's

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

# Private Loan secured by 1 or more Caveat(s)

**EquityLenders**

Effective as at: 15/02/2019

## Lender: AS

<b>About this lender</b>	Is a Direct Lender using their own funds making in-house decisions
<b>Strengths of this lender</b>	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
<b>Weaknesses of this lender</b>	Unused interest not refunded, restrictions on lvr's and locations
<b>Interest Rate (Resi)</b>	Up-to 2% per calendar month (up-to 24% p.a)
<b>Interest Rate (Comm'l)</b>	Up-to 2% per calendar month (up-to 24% p.a)
<b>Loan Management Fee</b>	0.2% per month (up-to 2.4% p.a) if loan is in arrears and payable upon discharge
<b>Principal &amp; Interest?</b>	Not offered by lender
<b>Interest Payments</b>	Monthly in advance & capitalised into the loan within LVR guidelines
<b>Loan Term (Minimum)</b>	2-months
<b>Loan Term (Maximum)</b>	Up-to 12-months
<b>Rollover Term(s)</b>	0.5%, 1% & 1.5% of loan amount subject to acceptable loan repayment history upon request
<b>Suitability</b>	Refinance, Equity Release, Cashout
<b>Max LVR Residential</b>	Up-to 75% but typically 72.5% based on market valuation(s)
<b>Max LVR Commercial, Industrial &amp; Retail</b>	Up-to 65% based on market valuation(s)
<b>Max LVR Vacant Land</b>	Up-to 65% based on market valuation(s)
<b>Min Loan Amount: Company, Corporate Trustee, ABN Name</b>	\$50,000
<b>Min Loan Amount: Personal Name(s)</b>	\$200,000 and is non-code (NCCP)
<b>Max Loan Amount:</b>	\$1,000,000
<b>Acceptable Borrowers - Business</b>	Company, Corporate Trustee, Family Trust, ABN Holder or Individual
<b>Acceptable Borrowers - Personal Name(s)</b>	Loans in personal names are available to max 62-day loan terms and suitable for homeowners and property owners
<b>Loan Purpose - Business</b>	Any worthwhile business or investment purpose
<b>Loan Purpose - Personal</b>	Any worthwhile consumer or investment purpose that doesn't exceed 62-day loan term
<b>Eligible Security</b>	Residential, Commercial, Industrial, Retail & Vacant Land
<b>Rural Property &amp; Land?</b>	Yes, major locations considered
<b>Eligible Locations</b>	Australia-wide including Capital Cities, Major Coastal Areas and Major Regional Areas
<b>Construction</b>	Not currently offered by lender
<b>Lender Establishment Fee</b>	\$4,950 or 2.2% of the loan amount - whichever is the greater and is included in the loan
<b>Equity Lenders P/L Fee</b>	\$2,995 or 2.2% of the loan amount - whichever is the greater and is included in the loan
<b>Lending Manager Fee</b>	N/A
<b>Urgent Settlement Fee</b>	From \$5,500 if applicable for same-day settlements payable to lender
<b>Commitment Fee</b>	Lender does not have a commitment fee
<b>Valuation Fee</b>	From \$500 + GST. Lender will quote if val is required and fee is payable upfront to the lender
<b>Legal Fee</b>	\$2,450 + Disbursements and is included in the loan in most cases. Purchasers pay upfront
<b>Valuations</b>	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
<b>Joint and Several Guarantees</b>	All third-party security providers, all directors (particularly shareholder directors) of the borrowing entity, any corporate shareholder of the borrowing entity
<b>Documentation</b>	Completed Equity Lenders application pack + rates notices + ID's + 1st Mortgagee request(s)

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# Private Loan secured by 1 or more Caveat(s)

**EquityLenders**

Effective as at: 15/02/2019

## Lender: AI

<b>About this lender</b>	Is a Private Lender using own funds
<b>Strengths of this lender</b>	Can make immediate decisions and prepare loan agreements within hours, no set lvr's and no valuation requirements on most occasions, no restrictions on locations, no minimum or maximum loan amounts
<b>Weaknesses of this lender</b>	Higher interest rates often from 3% per month to 6% per month, default interest rate 2 or 3 times higher than the discounted rate, letters of demand issued if 1+ day(s) late in repayment, default interest rate applied if 1+ day(s) late in repayment, lender establishment fees can be 2 times higher than Direct Lenders
<b>Interest Rate (Resi)</b>	From 3%* per month to 6% per month
<b>Interest Rate (Comm'l)</b>	From 3%* per month to 6% per month
<b>Principal &amp; Interest?</b>	No
<b>Interest Payments</b>	Monthly in advance
<b>Loan Term (Minimum)</b>	1-month
<b>Loan Term (Maximum)</b>	Up-to 6-months
<b>Rollover Term(s)</b>	Available subject to Lender approval
<b>Suitability</b>	Purchase, Refinance, Equity Release
<b>Max LVR Residential</b>	No set limits
<b>Max LVR Commercial, Industrial &amp; Retail</b>	No set limits
<b>Max LVR Vacant Land</b>	No set limits
<b>Min Loan Amount: Business</b>	\$30,000
<b>Min Loan Amount: Personal Name(s)</b>	N/A
<b>Max Loan Amount:</b>	\$1,00,000 on case-by-case basis
<b>Acceptable Borrowers - Business</b>	Company, Corporate Trustee of a Family Trust, SMSF
<b>Acceptable Borrowers - Personal Names (NCCP)</b>	No
<b>Loan Purpose - Business</b>	Any worthwhile business or investment purpose i.e. working capital
<b>Eligible Security</b>	Residential, Commercial, Industrial, Retail & Vacant Land
<b>Rural Property &amp; Land?</b>	No
<b>Eligible Locations</b>	Australia-wide including Capital Cities, Major Coastal Areas and Major Regional Areas
<b>Construction</b>	Not offered by this lender
<b>Lender Establishment Fee</b>	\$4,500 included in loan amount
<b>Equity Lenders P/L Fee</b>	\$2,995 or 2.2% of the loan amount - whichever is the greater and included in the loan amount
<b>Lender Application Fee</b>	\$2,500 included in loan amount
<b>Urgent Settlement Fee</b>	N/A
<b>Commitment Fee</b>	Lender does not have a commitment fee
<b>Valuation Fee</b>	From \$500 + GST. Lender will quote and fee is payable upfront
<b>Legal Fee</b>	From \$2,200 + Disbursements and is payable up-front by borrower
<b>Valuations</b>	Inhouse valuation, desktop valuation and full valuations instructed by lender
<b>Joint and Several Guarantees</b>	All third-party security providers, all directors (particularly shareholder directors) of the borrowing entity, any corporate shareholder of the borrowing entity
<b>Documentation</b>	Completed Equity Lenders application pack + rates notices + ID's

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