

CABERNET Flex Residential SMSF LOAN



90% Max LVR Residential

UPDATED: 20 August 2024

The Cabernet Flex Residential self-managed super fund loan (SMSF) loan is the ideal funding option for a self-managed super fund wanting to purchase a residential investment property and obtain exposure to real estate assets or refinance an existing SMSF to a better rate.

Description:	Investment purposes only – corporate trustees. Purchase a residential dwelling [including NDIS] or refinance an existing SMSF loan.	Application Fee:	\$550 (payable at settlement)
Loan Amount: Residential:	Minimum: \$ 50,000 Maximum: \$3,500,000 (to 70% Metro) Maximum: \$3,000,000 (to 80% Metro) Maximum: \$2,500,000 (to 90% Metro)	Valuation Fees:	At Cost: From \$330
Loan to Value Ratio:	90% max LVR. Includes established <1 year and off the plan). 80% max LVR (High Density, Inner City; NDIS). 75% Max LVR – Regional securities.	Solicitor Fees:	At Cost: Approx. \$595 plus outlays.
Term:	Min. 5 Years to 29.92 years (359 months). Max 25 years (300 mths) for NDIS	Annual Fee:	\$395 pa (no monthly fees)
Repayment type:	Variable Rate P&I or Interest Only (max 5 yrs). 1-5, 7 & 10 years fixed rate options available. Interest Only is not available for NDIS.	100% Offset Fee (optional):	Available on variable and Fixed Rate loans – no fee for Offset.
Redraw:	Not Available for SMSF loans.	Rate Lock Fee (optional):	\$495 (1-4 yrs); \$749 (5-10 yrs).
Liquidity Test & Net Asset Test:	Not Applicable until further notice.	Title Insurance:	Not Applicable.
Split Loans:	Up to 6 splits allowed for SMSF (no fee at loan application stage). Can have variable & fixed rate splits.		
100% Offset:	Optional 100% Offset (fee free) available on both fixed and variable rates – fee free. Can be added or withdrawn at any time.		
NDIS:	Max 80% LVR. Max Term 25 Years. Interest Only is not available for NDIS.		
Borrower:	SMSF Trustee/s, which hold the beneficial interest in the security property, has the right to acquire the property from the Property Trustee, and is permitted to borrow in accordance with the relevant legislative requirements (and any associated regulations). There is no rate loading for corporate trustees on SMSF loans.		
Mortgagor:	Property Trustee/s, which meet the requirements of the relevant legislation (and any associated regulations). Holds the legal interest in the security property on trust for the SMSF.		
Guarantors:	Loans must be supported by personal guarantee/s for the full amount of the loan from all beneficiaries of the SMSF. Guarantees must be in accordance with the requirements of the relevant legislation and associated regulations. Non-resident guarantors are unacceptable.		
Guarantors Advice:	SMSF Trustee borrowers and guarantors must obtain independent legal and financial advice and proof of such advice must be retained on the loan file.		
Acceptable Securities:	In addition to the general requirements regarding the security property, loans made to SMSF Trustee/s must be secured by a “single asset” comprising a security property on a single title (not two or more separate titles) and the loan must not cover any additional assets purchased at the time of property purchase. This includes furnishings or other items which are not fixtures. An NDIS property (max. 6 bedrooms) is acceptable with a maximum term of 25 years.		
Unacceptable Purposes or Securities:	Construction Loans or Bridging Finance. Equity Release, Cash Out, Debt Consolidation or Home Improvements. Purchase/Refinance of properties occupied by SMSF beneficiaries or related parties. Non-Arm’s length transactions. Purchases from a related party of the SMSF Trustee/s. Purchase or refinance of owner-occupied property.		
Additional Assessment Requirements:	Confirmation of current investment strategy developed by a suitably qualified individual. Last 2 years SMSF Statements (refinances only). Last 2 payslips (if applicable) Most recent periods Financials or Tax Returns (business and individuals).		
IMPORTANT:	Rates, fees & policies subject to change without notice. Conditions Apply. All fees include GST. Economic Break Costs (EBC) may apply to loans with Fixed Rates when the loan is discharged.		

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Target Market for this Product:

The features of this Product have been assessed as meeting the likely objectives, financial situation and needs of consumers over the age of 18 where one or multiple applicants are self-employed returns. This product is likely to meet the needs of consumers looking for a loan amount of \$50,000 up to \$3,500,000, repayable over a term of up to 30 years.

This product is likely to meet objectives and needs investment consumers to finance the acquisition of residential property for investment purposes or refinance an existing SMSF home loan:

1. The ability to borrow up to 90% of the value of the residential property
2. The ability to borrow up to 80% of the value of an NDIS property (maximum 6 bedrooms)
3. The flexibility of a variable rate, or the security of a fixed rate.
4. The ability to minimize interest paid over the life of the loan.
5. The ability to make extra repayments to their loan;
6. The option of principal and interest or interest only repayments.
7. Flexibility allowing early repayment of their loan.

Whilst there may be fluctuations to variable interest rates, we have assessed this Product as being consistent with the likely objectives, financial situation and needs of consumers in the target market.

Outside of the Target Market for this Product:

Consumers outside the target market are consumers that:

1. Require a loan to finance the acquisition of property for construction purposes
2. Are self-employed and cannot provide financials.
3. Have material adverse credit; and
4. Are seeking to borrow for an owner-occupied property, or investment property outside of their SMSF.
5. Non-residents of Australia.

Description of Product including Key Attributes

1. Variable interest rate, fixed rate loan or combination of both.
2. Minimum loan amount \$50,000.
3. Maximum loan amount \$3,500,000.
4. Maximum loan term 29.92 years.
5. Maximum Loan to Valuation Ratio (LVR) is 90%.
6. Repayment options:
 - principal and interest or interest only for investment.
7. Repayment frequency for principal and interest repayments – weekly, fortnightly or monthly.
8. Repayment frequency for interest only – monthly.
9. Optional 100% Offset account for both variable or fixed rates.
10. Valuation fee is payable.

Note that exceptions may be made to the above on a case-by-case basis.