

SHORT TERM COMMERCIAL LOANS



Credit Criteria / Policy Guide

Credit impairment	<ul style="list-style-type: none"> • Defaults: Minor / moderate level of financial or non-financial considered • Mortgage arrears: No more than 2 missed repayments in past 6 months (late repayment up to 30 days acceptable) • Bankrupt history / other: No prior bankruptcy, voluntary administration or strike off action
Borrower types	<ul style="list-style-type: none"> • Company, Trusts (Discretionary / Unit) and Individual • Must be Australian residents
Loan sizes	Min \$500k - Max \$7.0m (higher may be considered on case-by-case basis)
Maximum LVR	70%
Loan purposes	<ul style="list-style-type: none"> • Unregulated purposes only • Purchases, refinance, debt consolidation, business use, residual stock, ATO debts, land bank, cash out
Serviceability	Clearly defined & verifiable exit strategy



Security Criteria

Security	<ul style="list-style-type: none"> • Registered 1st mortgage over acceptable security (refer suitable security section) • Category 1 locations • Director guarantees (shareholding of 50% or more) • General Security Agreement
Valuation	<ul style="list-style-type: none"> • Full valuation report addressed for reliance by RedZed, conducted by RedZed panel valuer • Dated no older than 90 days at the time of loan settlement



Product Features

Loan term	Terms from 6 months - 2 years
Repayment type	Interest only – monthly in arrears
Interest type	Variable rate



Pricing

Interest Rate	From 0.95% p.m
Application Fee	1.55% (contains 0.55% upfront commission – incl GST) plus any additional upfront commission (incl of GST)
Legal Fees	\$5,000
Valuation	At cost
Title Insurance	At cost



Broker Commission

Upfront Only (no trail)	<ul style="list-style-type: none"> • 0.55% (incl of GST) • Max 0.55% (incl GST) additional upfront commission (total upfront 1.1% - incl GST) can be achieved by adding to the application fee
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Acceptable Security

Commercial	<ul style="list-style-type: none">• Offices• Retail shops• Showrooms• Industrial factories• Warehouses• Mixed use• Vacant land (commercial / industrial)
Residential	<ul style="list-style-type: none">• House• Unit / apartment• Townhouse• Residual stock• Multiple dwelling on one title• Vacant land



Unacceptable Security

Commercial	<ul style="list-style-type: none">• Age care facilities & retirement villages• Hotel / motel• Schools• Hospitals• Abattoirs• Place of worship• Specialised / single purpose properties• Contaminated sites• Crown land / limited title / old law titles
Zoning	<ul style="list-style-type: none">• Rural / farm zones



Ineligible

Locations	Cat 2 & 3
Type	Construction / development