

Flexible First Tier Non-bank Funding Available

Hi %%First Name%%,

In the last two GLOBAL VIEW newsletters I talked about how the economy was improving but the ability to obtain loans wasn't. For the last issue [click here](#)

The demise of so many trustee lenders and finance companies has reduced dramatically the amount of non-bank and second tier finance available. And - as I said in that newsletter - *"Quite apart from the toughening of their credit criteria the banks do have less funds available to lend and are favouring existing clients. So it's tough getting a bank loan for anything other than the most vanilla of proposals."*

At the same time the banks are reviewing existing customer facilities to seek additional guarantees, covenants, cross collateralisation of securities, GSA security, reduced LVR's and generally more tighter conditions frustrating to borrowers fortunate enough to have access to bank funding.

However as the economy improves, a number of first tier non-bank lenders - some of which are flush with funds - have begun to re enter the market in competition to the banks. Typical of these is a very competitive non-bank property loan with considerable flexibility over and above traditional bank lending criteria. It is ideal for borrowers wishing to refinance out of total bank control. Key benefits include:

- Stand alone product - no collateral security required
- Will lend on commercial, industrial and residential properties - investment or owner occupied
- Up to 66% of lower of purchase price or valuation
- Loan size from \$200,000 - \$7,500,000
- Terms from 6 months - 3 years
- Interest rate 6.75% - 9.75% (depending on risk profile)
- Finance fees 0.5% - 1.0%
- Interest only or flexible principle repayment terms
- Debt servicing cover on secured property should be greater than 1.3 times rental income
- Clean credit required
- Available for properties located nationwide - preference for main cities and major provincial centres
- Nationwide list of acceptable valuers
- Quick turnaround - indicative loan offers provided

My contact details are given below. You can reach me on mobile any time.

Cheers

JP



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