



A fully featured traditional commercial loan secured by commercial and/or residential property. In addition to our traditional fully verified loans, Adelaide Bank also offers an alternative product for investors with commercial rental properties – our Simple Doc (Lease-Doc) product.

Key benefits

- Loan terms up to 25 years
- LVR up to 75% for loans up to \$1 million
- LVR up to 70% for loans up to \$5 million
- Set and forget – no Scheduled Reviews for total aggregated exposure below \$1 million
- Cash out options for business or investment purposes (not for working capital)
- Interest only options up to 5 years (Maximum 3 years when LVR is over 70%)
- Variable or fixed interest rates
- Residential property can be used to secure commercial funding
- Suits owner occupiers and investors
- Simple Doc (Lease-Doc) a stand alone investment facility up to \$1 million (max LVR 65%) secured by a commercial rental property with an acceptable lease to an unrelated tenant

Product overview

Loan Purpose

- Purchase a commercial property for owner operator and/or investor
- Refinance an existing commercial loan
- Release equity for business or investment purpose (Working capital is not acceptable)

(Not available for individual borrowers where 50% or more of the loan amount is for the purchase, refinance or raising equity for either residential owner occupation or residential investment).

Eligibility Full Doc

- **Natural persons** – permanent residents or citizens of Australia, living and working in Australia
- **Sole Proprietorships and Partnerships** – loan must be in the name of the natural persons or company, not in the name of the business
- **Companies** (limited by shares) – must be incorporated and domiciled in Australia personal guarantees from directors
- **Trusts** – the name of the trustee borrowers must be in their own right and as trustee for the trust (we only accept discretionary, family or unit trusts)

Eligibility Simple Doc

- **Companies** (limited by shares) – must be incorporated and domiciled in Australia; personal guarantees from directors
- **Trusts with corporate trustees** – the name of the trustee borrowers must be in their own right and as trustee for the trust (we only accept discretionary, family or unit trusts)

Corporate Benefit

When a guarantee is to be taken from a company, additional checks are required to ensure the provision of the guarantee is in the guarantor company's best interests (referred to as a corporate benefit).

Under Corporations Law, directors of a company have an obligation to ensure that they act in good faith and in the best interest of the company. It is not sufficient for the guarantee to benefit a group of companies, rather there must be a benefit to the individual company granting the guarantee

To ensure that corporate benefit requirements are met, where a guarantee from a company is sought, the directors of the guarantor / borrower company must provide a corporate benefit explanation, confirming how the guarantor company benefits. The Bank may at its discretion require additional information to be provided. The required information may include (but is not limited to): Directors and / or shareholders resolution / board minutes detailing the corporate benefit to the guarantor company; and Legal opinion that corporate benefit exists.

The Detail

Repayment type options	<ul style="list-style-type: none"> Principal and Interest Interest Only
Interest rate options	<ul style="list-style-type: none"> Variable rate Fixed rate terms of 1–5 years
Additional repayments	<ul style="list-style-type: none"> Variable Rate – extra repayments can be made at any time without penalty Fixed Rate – maximum of \$20,000 per annum in excess of normal repayments is permitted, after which break costs may apply
Redraw	Redraw available – free electronic redraw for amounts over \$1; manual redraw requests \$50
Loan terms	5–25 years
Minimum loan amount	\$150,000
Total Assessed Exposure	\$6 million for total product suite
Full recourse loan	Yes
General Security Deed	Required where the total aggregated exposure is \$1 million or more
Loan splits	Available (\$100 per split)
Repayment options	<ul style="list-style-type: none"> Monthly repayments must be made prior to or on the anniversary date of settlement (irrespective of any additional repayments) Any loans settled on or after the 28th of the month will have repayments due on the 28th of the month Weekly or fortnightly repayments are also permitted Repayments must be made via a direct debit
Loan statements	Semi-annually in June and December
Phone/Online banking	Available
Rate conversion	<ul style="list-style-type: none"> Convert to a fixed rate at any time (loan variation fee of \$150 is payable) Applications will be made effective from the monthly anniversary date and must be received a minimum of 14 days before the monthly due date At the end of the fixed term, re-fix immediately at no charge, or revert to the SmartSuite Commercial benchmark variable rate
Fees	<ul style="list-style-type: none"> Application fee <ul style="list-style-type: none"> Loans <\$1 million – \$500 fee Loans ≥\$1 million – 0.50% of loan amount Service fee – \$25 monthly Deferred establishment fee – 1.5% of the contracted loan amount if the loan is discharged within 48 months of settlement <p>(For information on other fees, see SmartSuite Commercial Fees and Charges Guide)</p>

The Detail (cont.)

Annual Reviews	<p>Scheduled reviews are based on Total Aggregated Exposure (T.A.E)*:</p> <ul style="list-style-type: none"> • <\$1 million – no Annual Review required • ≥\$1 million – Full Review required <p>Full Review:</p> <ul style="list-style-type: none"> • Valuation required every 3 years** <p>*T.A.E. aggregate of all loans for any borrower and/or borrower group</p> <p>**Valuation costs to be borne by Adelaide Bank</p>
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Acceptable security properties	<p>A range of property types are acceptable as security including:</p> <ul style="list-style-type: none"> • Commercial property (including offices) • Industrial property (including warehouses and workshops) • Retail property (including shops) • Residential property • Maximum of 3 properties for each loan <p>Note:</p> <ul style="list-style-type: none"> • All security properties must be general purpose • Specialised security is not acceptable • Registered first mortgage only (no second or subsequent mortgages) <p>Unacceptable security types:</p> <table border="0"> <tr> <td>- Abattoirs</td> <td>- Land Banks/Speculative/ Vacant Land</td> <td>- Rural Property</td> </tr> <tr> <td>- Bed and Breakfast</td> <td>- Marinas</td> <td>- Sawmills</td> </tr> <tr> <td>- Boarding Houses</td> <td>- Mills</td> <td>- Schools</td> </tr> <tr> <td>- Breweries</td> <td>- Nightclubs and Pubs</td> <td>- Service Stations</td> </tr> <tr> <td>- Brick Works</td> <td>- Nursing Homes</td> <td>- Serviced Apartments</td> </tr> <tr> <td>- Brothels</td> <td>- Places of Worship</td> <td>- Speculative Developments</td> </tr> <tr> <td>- Caravan Parks</td> <td>- Powder Coating Businesses</td> <td>- Sporting Centres</td> </tr> <tr> <td>- Cemeteries</td> <td>- Properties above snow line</td> <td>- Student Apartments</td> </tr> <tr> <td>- Child Care Centres</td> <td>- Properties under 50m²</td> <td>- Tanneries</td> </tr> <tr> <td>- Clubs</td> <td>- Purpose Built Premises</td> <td>- Theatres/Film Studios</td> </tr> <tr> <td>- Construction Sites</td> <td>- Quarries</td> <td>- Theme Parks</td> </tr> <tr> <td>- Contaminated Sites</td> <td>- Reception Centres</td> <td>- Time Share</td> </tr> <tr> <td>- Foundries</td> <td>- Residential Properties > 10Ha in Size</td> <td>- Truck/Car Wash Businesses</td> </tr> <tr> <td>- Funeral Parlours</td> <td>- Resorts</td> <td>- Vineyards/Wineries</td> </tr> <tr> <td>- Gasworks</td> <td>- Retirement Villages</td> <td>- Wrecking/Smash Repairs</td> </tr> <tr> <td>- Hotels/Motels</td> <td>- Roadhouses</td> <td></td> </tr> <tr> <td>- Ice Works/Cold Stores</td> <td></td> <td></td> </tr> <tr> <td>- Laboratories</td> <td></td> <td></td> </tr> </table>	- Abattoirs	- Land Banks/Speculative/ Vacant Land	- Rural Property	- Bed and Breakfast	- Marinas	- Sawmills	- Boarding Houses	- Mills	- Schools	- Breweries	- Nightclubs and Pubs	- Service Stations	- Brick Works	- Nursing Homes	- Serviced Apartments	- Brothels	- Places of Worship	- Speculative Developments	- Caravan Parks	- Powder Coating Businesses	- Sporting Centres	- Cemeteries	- Properties above snow line	- Student Apartments	- Child Care Centres	- Properties under 50m ²	- Tanneries	- Clubs	- Purpose Built Premises	- Theatres/Film Studios	- Construction Sites	- Quarries	- Theme Parks	- Contaminated Sites	- Reception Centres	- Time Share	- Foundries	- Residential Properties > 10Ha in Size	- Truck/Car Wash Businesses	- Funeral Parlours	- Resorts	- Vineyards/Wineries	- Gasworks	- Retirement Villages	- Wrecking/Smash Repairs	- Hotels/Motels	- Roadhouses		- Ice Works/Cold Stores			- Laboratories		
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Acceptable security locations	<ul style="list-style-type: none"> • Capital cities and major regional centres (generally defined as populations over 100,000) • For Residential securities, standard Adelaide Bank Category 1 and 2 location Policy applies <p>Refer to the SmartSuite Commercial Location Guide for more details –</p> <p>http://www.brokers.adelaidebank.com.au/downloads/COM_location_guide.pdf</p>
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Product Overview	Full Doc	Simple Doc
Maximum loan amount/LVR	\$5 million ($\leq 70\%$ LVR) \$1 million ($\leq 75\%$ LVR)	\$1 million ($\leq 65\%$ LVR)
Maximum Interest Only Period	5 years ($\leq 70\%$ LVR) 3 years ($\leq 75\%$ LVR)	5 years
Minimum interest coverage ratio	1.50 x	1.25x for investors based on rental income from security properties
Income verification	Refer to SmartSuite Commercial income matrix	<ul style="list-style-type: none"> Applicant's declaration that the facility is within their ability and capacity to service and that they can meet reasonable living expenses without undergoing substantial hardship Copy of an enforceable lease, with a remaining lease term of no less than 12 months from Formal Approval For corporations/self-employed, a declaration of solvency is required
Declared Personal Living Expenses	Where there is reliance on income from an individual Owner / Director / Partner, please ensure that section 8: Declared Personal Living Expenses of the application form is completed. The total is to be entered into the Debt Service Calculator.	
Other documents required	<p><u>Companies/self-employed:</u></p> <p>Last 6 months statements for:</p> <ul style="list-style-type: none"> Business Trading Account All debts to be refinanced Loan(s) secured by the primary or personal residence of each borrower or guarantor <p><u>PAYG Individuals - Full Doc only:</u></p> <p>Last 6 month statements for:</p> <ul style="list-style-type: none"> personal bank statements evidencing receipt of PAYG income Loan(s) secured by the primary or personal residence of each borrower or guarantor 	Last 6 months statements for all debts to be refinanced.

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