

Commercial SMSF

Fact Sheet



Our self managed super fund loan (SMSF) loan is designed to provide loans to authorised Australian Self-Managed Super Funds for the purpose of purchasing residential or commercial (non-specialised) investment property.

| Credit Parameters | |
|---|---|
| Minimum Loan amount | \$100,000 |
| Maximum Loan amount | \$1,000,000 |
| Maximum LVR | Up to 70% |
| Borrower Type | 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). |
| Loan Purpose | <ul style="list-style-type: none"> • Purchase of an investment property plus costs • Refinance of an existing SMSF loan plus costs <p>Exclusions:</p> <ul style="list-style-type: none"> • Construction Loans • Purchase of rural property • Equity Release/Cash Out or Debt Consolidation |
| Loan Term | Up to 25-year term |
| Lenders Mortgage Insurance | N/A |
| Income Documentation and Servicing | <p>Serviceability is calculated allowing for the following:</p> <ul style="list-style-type: none"> • 80% of rental income from investment properties held by the SMSF. • mandatory superannuation contributions (currently 9.50% of annual salary) to be included and verified over a 2 year period • regular additional contributions made to superannuation or other personal investments or savings verified over a 2 year period • must allow for on-going expenses associated with running a SMSF. Where a newly established SMSF cannot provide evidence (letter from their accountant) to confirm the running costs of the SMSF, a minimum of \$3000 (GST inclusive) should be included in the SMSF Servicing Calculator, otherwise use the running costs stated on the accountant's correspondence. • loan repayment amount to be calculated on a principal and interest basis |
| Acceptable Security | <ul style="list-style-type: none"> • 1st registered mortgage over commercial, industrial, retail or residential properties in Australian cities and major regional centers excluding Non-metro postcodes • Residential properties must have a minimum living area of 50 square meters and up to a maximum land size of 25 acres (10 hectares). • No vacant land or properties under construction will be acceptable. <p><i>Please refer to our Security Location Guide or more information.</i></p> <p>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.</p> |
| Debt Service Cover Ratio | 1.25 |

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Product Features

| | |
|------------------------------|---|
| Interest Only Options | N/A |
| Fixed Rate Options | 1, 2, 3, 4 and 5 years fixed rate options available |
| Interest Calculation | Daily on outstanding balance, charged monthly |
| Repayment Frequency | Weekly, Fortnightly or Monthly |
| Repayment Method | Direct Debit from nominated bank account |
| Additional Repayments | Unlimited for Variable rate Loans only via Direct Salary Credit and BPay credit. |
| Loan Splits | Up to 4 splits allowed |
| Credit Increases | N/A |
| Product Switching | N/A |
| Loan Portability | N/A |
| Redraw | N/A |
| Standard transactions | Repayments from nominated account, Additional repayments from nominated account, Internet access, Direct salary credits, BPay credits and Direct debits. No Phone Access. |

Product Fees

| Fees | Description | Amount |
|------------------------------------|--|---|
| Valuation Fee | Payable by applicant prior to the valuation being ordered | Quote required |
| Solicitor Documentation Fee | Preparation and execution of 1 commercial SMSF loan facility | \$1,000 |
| Establishment Fee | Payable to Sintex at time of application. (0.50% is non refundable if loan does not proceed) | Up to 1.50% of the loan amount (min. 0.50%) |
| Settlement Fee | Payable at settlement for processing and settling a new loan facility. | \$385 |
| Early Repayment Fee | An ERF is payable if the loan discharges in the first 3 years of settlement and is based on current interest rates but original loan amount. <ul style="list-style-type: none"> Year 1 = 3 month interest is payable upon discharge Year 2 = 2 month interest is payable upon discharge Year 3 = 1 month interest is payable upon discharge | |
| Discharge Fee | Payable for a release of the security once the loan is paid in full. | \$495 |