

DEVELOPMENT FINANCE - TERM SHEET

Loan Purpose:	Acquisition and development of commercial or residential property in capital cities and large regional areas within Australia.
Loan Amount:	Up to \$50 million in one facility. Additional funding on case by case basis.
LVR:	70% maximum Loan to Net Realisable Value Ratio (LVR). Net Realisable Value (NRV) is exclusive of GST, selling costs and commissions. 80% maximum Loan to Total Development Cost Ratio. Total Development Cost (TDC) is inclusive of interest and fees on project finance.
Security:	First registered mortgage over the development site(s). Personal guarantee provided by Director(s) of the borrower. Charge over assets and undertakings of the borrower. Collateral security may be included on a case by case basis.
Disbursement:	Acquisition funds disbursed at purchase of development site. Construction funds disbursed during development program. All advances are subject to the conditions precedent for their respective tranches including but not limited to: <ul style="list-style-type: none"> - Due diligence in respect of the property, the project and the borrower - Certification of development costs by an independent assessor - Execution of a tripartite deed with the primary contractor
Repayment:	100% of net proceeds from sale of the completed development until repayment. Proceeds may be retained or redrawn for the approved purpose at the lender's discretion.
Interest:	Interest is charged monthly. Interest may be capitalised within the LVR guidelines above or serviced by regular interest payments. Six month minimum capitalised interest term applies.
Interest Rate:	from 6.5% p.a. LVR < 50%; +1.5% p.a. LVR 50% - 60%; +2.5% p.a. LVR 60% - 70%
Term:	Maximum 24 month term, may be renewed on a case by case basis.

Metric:	Metric*	Explanation
	Total Interest Percentage 7.45%	Interest expense as a percentage of funds borrowed
	Annual Percentage Rate 6.96%	Total cost of funding over the duration of the loan expressed as an annualised rate
	Cents on the Dollar 10.20c	Interest and fees** charged per dollar borrowed
	Factor Rate 1.1014	Total repayments as a proportion of funds borrowed
	Minimum Collateralisation Ratio 142.86%	The minimum collateral required to cover the total facility

*Metrics will vary depending on the timing and term of the facility.

**Lender: 0% (Nil) Borrower: 1% establishment fee on the facility limit payable at settlement. 1% platform licence on the facility limit payable at settlement. .5% platform licence on the loan balance payable annually. Professional fees for administration of the loan payable as incurred. Fees may be serviced or charged to the balance of the loan and repaid with interest and principal. iCAP loyalty reward points redeemable against future fees.