

RESIDUAL STOCK FINANCE - TERM SHEET

Loan Purpose:	Refinance of remaining stock in completed property developments 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:	55% maximum Loan to Net Realisable Value Ratio (LVR). Net Realisable Value (NRV) is exclusive of GST, selling costs and commissions.
Security:	First registered mortgage over the remaining development stock 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:	Fully disbursed up to 50% LVR at settlement for refinance of development loans, profit entitlements and removal of any other encumbrances. No further advances will be available. Advance is subject to conditions precedent including but not limited to: <ul style="list-style-type: none"> - Due diligence in respect of the property, the project and the borrower - Confirmation of the security value in a form satisfactory to the lender. This may include obtaining an independent valuation for mortgage security purposes
Repayment:	100% of net proceeds from sale of residual stock until repayment unless otherwise agreed. Proceeds may be retained on a case by case basis.
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.
Term:	Maximum 24 month term, may be renewed on a case by case basis.

Metric:	Metric*	Explanation
	Total Interest Percentage 10.85%	Interest expense as a percentage of funds borrowed
	Annual Percentage Rate 5.76%	Total cost of funding over the duration of the loan expressed as an annualised rate
	Cents on the Dollar 14.21c	Interest and fees** charged per dollar borrowed
	Factor Rate 1.1421	Total repayments as a proportion of funds borrowed
	Minimum Collateralisation Ratio 166.67%	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.