

Macquarie Business Banking Commercial Lending Guide

Banking solutions to help grow your client's business

ABOUT THIS GUIDE

The Commercial Lending Guide is a resource for licensed mortgage brokers accredited with Macquarie Business Banking and is only applicable to loans that are introduced by brokers. The information in this document is only a guide and is current as at September 2022. Updates to this document will be available at [macquarie.com.au/brokers/commercial-brokers](https://www.macquarie.com.au/brokers/commercial-brokers). Each loan will be subject to individual assessment in accordance with our credit and other internal policies.

Where relevant, refer to our page regarding Design and Distribution Obligations.

WHY CHOOSE MACQUARIE BUSINESS BANKING?

With Macquarie Business Banking's specialist understanding of broker finance for small businesses, we bring a valuable perspective across a number of industries. Our committed team of Business Development Managers are equipped with industry-specific knowledge and benchmarking, to provide strategic insights at every stage of the business lifecycle.

Macquarie Business Banking's tailored finance solutions can help your clients evolve to achieve their business goals:



**GROW THEIR
BUSINESS**



**MERGERS AND
ACQUISITIONS**



**SUCCESSION
PLANNING**



**WORKING
CAPITAL**



**PROPERTY PURCHASE
AND REFINANCING**

At Macquarie Business Banking, we bring a valuable professional culture to banking and financial services. We focus on providing you with financial tools and solutions to help your clients achieve their lending goals. Our flexible approach and 'can do' attitude helps you put a tailored plan in place.

Macquarie Business Banking can help you focus on the things that matter most to you and your clients.

Macquarie Business Banking provides banking and business services to clients in a number of core industry segments including; strata, residential and commercial real estate, medical, insurance broking, financial planning, built, technology, legal and accounting. Each client is allocated a dedicated relationship manager who understands the dynamics and constraints specific to their industry.

We work closely with our clients to find innovative ways to address their challenges and grow their businesses. This includes providing them with tailor-made deposit, lending and payment solutions. We also provide a range of diagnostic tools to identify efficiencies, benchmarking data and host industry-specific networking events.

Commercial Lending Guide

Speak to a Macquarie Business Banking Business Development Manager (BDM) today for specific details on our commercial finance offering:



Kevin Treanor
National Sales Director

0429 986 353
Kevin.Treanor@macquarie.com



Daniel Cherrie
State Manager - NSW

0437 236 452
Daniel.Cherrie@macquarie.com



Theo Tekidis
Business Development Manager
- NSW

0409 156 285
Theo.Tekidis@macquarie.com



Mel Forbes
State Manager - VIC

0400 971 715
Mel.Forbes@macquarie.com



Matthew Fraresso
Business Development Manager
- VIC

0427 720 344
Matthew.Fraresso@macquarie.com



Bridie Schumacher
State Manager - QLD

0499 719 426
Bridie.Schumacher@macquarie.com



Paul Chiu
Business Development Manager
- QLD

0427 821 336
Paul.Chiu@macquarie.com



Patrick Holden
State Manager - WA/SA

0407 118 111
Patrick.Holden@macquarie.com

[macquarie.com.au/brokers/commercial-brokers](https://www.macquarie.com.au/brokers/commercial-brokers)

Property policy guidelines

	COMMERCIAL PROPERTY	DIVERSIFIED RESIDENTIAL /RETAINED STOCK
<p>Initial due diligence information</p> <p>All industries require company financials and a Loan Application Form for the directors/ partners</p>	<p>Full tenancy schedule detailing for each tenancy: size of space, lease details, start and end dates including options and termination rights, current passing rent, outgoings obligations, guarantees and rent adjustment terms.</p> <p>Net asset position of guarantors.</p>	<p>Tenancy schedule outlining: amount, expiry terms, property description, size, inclusions e.g. parking.</p> <p>Net asset position of guarantors.</p> <p>Note: Loans to developers are generally not permitted under these Guidelines. Developers are defined as counterparties that derive a material proportion of their income from development and/ or directors that provide personal guarantees for property development loans funded by other lenders. Details of the client's industry will need to be advised.</p>
<p>Qualifying criteria</p> <p>Other criteria may apply</p>	<p>Interest cover (including buffer) ≥1.3x.</p> <p>Macquarie Business Banking uses interest rate buffers to assess servicing. Your Macquarie BDM can provide more details.</p>	<p>Interest cover (including buffer) ≥1.3x.</p> <p>Location:</p> <p>Metro Sydney, Melbourne, Brisbane (Canberra, Perth, Adelaide, Wollongong, Newcastle, Gold Coast, Sunshine Coast, Central Coast, Geelong can be considered).</p> <p>No high density or high vacancy areas.</p> <p>Where residential investment is rated SME/ IPRE, servicing is calculated by applying interest rate buffers. Your Macquarie BDM can provide more details.</p>
Maximum LVR	Up to 70%*	<p>Residential Stock Diversified Residential</p> <hr/> <p>Up to 65% LVR Up to 75% LVR</p>
Loan term	Up to WALE minus 12 months to a maximum of 5 years	Up to 5 years.
Valuation	Valuation to be conducted by an approved external Macquarie Business Banking panel valuer on comparable and capitalisation method. CMV of the property is to exclude any value uplift which may be associated with speculative future activities such as rezoning, development approvals, material changes of use, or unreasonable assumptions.	In-one-line assessment for >4 properties in a single development with sensitisation for GST to be considered where applicable.
Equity Release	Yes, subject to credit approval.	Yes, subject to credit approval.

* dependent on amortisation and asset profile

Property lending key features

Products offered across industry

	MACQUARIE PROPERTY VERSATILE ¹	COMMONE
	Flexible residentially secured loan for more complex borrowing structures	Loan product targeted at business clients to purchase commercial property
Max. loan term	30 years	5 years
Min. loan size²	\$1,000,000	\$1,000,000
Borrowers	Individual, Company, Partnership, Trust	Company, Partnership, Trust
Security	Residential Property	Commercial Property
Max. LVR³	80%	70%
Principal & interest	✓	✗
Principal + interest⁴	✓	✓
Interest only⁵	✓	✓
Interest capitalisation	✗	✗
FEATURES		
Global facility limit	✓	✗
Redraw	✓	✓
Offset account	✗	✗
Sub-accounts⁶	✓	✓
FEES & CHARGES⁷		
Establishment fee	Individual: \$1,000 Corporate Borrowers: ≤\$3m up to 0.50% of limit >\$3m available (& negotiable) on application	≤\$3m up to 0.50% of limit >\$3m available (& negotiable) on application
Line fee	✗	✗
Ongoing fees	\$30/month	\$30/month

1 Residentially secured loan for business and investment purpose. Must be >50% predominantly business purpose

2 Minimum loan size is generally \$1M however may vary depending on a variety of factors. Contact us if you'd like more information

3 Dependent on location and value of security.

4 Repayments made up of a set principal repayment amount plus interest accrued eg. Monthly repayment of \$2,000 off the principal plus interest accrued for that month.

5 Maximum Interest Only loan term of 5 years, subject to credit approval.

6 All sub-accounts are required to be on the same interest rate and repayment type. Except for Global Facility Limits, all sub-accounts must have the same regulated/non-regulated loan purpose as the overarching facility.

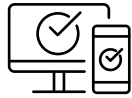
7 Fees are current at time of publication of this guide and subject to change. Other additional fees and charges may apply. Please refer to loan documents.

This document is current as at September 2022. Updates to this document will be available at macquarie.com.au/commercialbroker

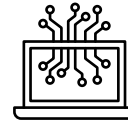
Technology policy guidelines

Technology comprises two sub-sectors:

- IT Services - includes companies that are contracted by other businesses to consult on, develop, implement, test and provide ongoing support for IT and software [additional details and examples provided in the table on page 7]
- Software (SaaS) - includes companies that create, sell, maintain and host business software as a service (e.g. Xero, MYOB).



IT SERVICES



SOFTWARE (SAAS)

<p>Initial Due Diligence Information</p> <p>All industries require company financials and a Loan Application Form for the directors/partners</p>	<p>Split of revenue streams by product or service type. Top 10 clients by revenue.</p>	<p>Split of revenue streams by product or service type. Top 10 clients by revenue.</p>
<p>Qualifying Criteria</p> <p>Other criteria may apply</p>	<p>a. Minimum revenue of \$3m</p>	<p>a. Minimum recurring revenue of \$3m b. B2B solutions</p>
<p>Maximum LVR</p>	<p>Managed Services: When revenue \geq \$30m:</p> <ul style="list-style-type: none"> • Maximum debt = 3x EBITDA* <p>When revenue $<$ \$30m:</p> <ul style="list-style-type: none"> • Maximum debt = 2x EBITDA* <p>IT Consultants:</p> <ul style="list-style-type: none"> • 2 x EBITDA* 	<p>Maximum debt = 3x EBITDA*</p>
<p>Interest Only (IO) Terms</p>	<p>May be considered.</p>	<p>May be considered.</p>
<p>Valuation</p> <p>MBL internal valuation completed</p>	<p>Based on multiple of EBITDA*.</p>	<p>Based on multiple of EBITDA*.</p>

* This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

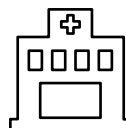
Additional details on IT services businesses

TYPICAL SERVICE TYPE	DESCRIPTION
Managed Hosting & Infrastructure Services	IT service provider that leases dedicated servers and associated hardware to a single customer and manages those systems on the customer's behalf.
Managed IT End-User Compute (EUC) Services	EUC services refer to the technologies that IT service providers use to deploy, manage and secure the devices, applications and data that employees, contractors require to perform their jobs.
Business Telephony and Conferencing (BT&C) Services	BT&C services is the development, application, and deployment of telecommunication services for the purpose of electronic transmission of voice or data, between parties.
Managed Security Services	Managed security service providers provide outsourced monitoring and management of security devices and systems. Common services include managed firewall, intrusion detection, virtual private network, vulnerability scanning and anti-viral services.
Integrated Hardware/Software Provider	Provides hardware as part of an upfront establishment process to host software (which supports a core business capability) which is billed on an ongoing basis, i.e. recurrent revenue.
Professional Services	A range of pre-paid or time-bound (project driven) services usually in support of other services set out above.
Other services	Ranging from product integration / customisation, data & analytics, software testing, cloud migration etc.

Medical policy guidelines



GENERAL PRACTICE



DAY AND SHORT STAY HOSPITALS

Target Client Characteristics

- | | |
|---|---|
| <ul style="list-style-type: none"> • Minimum Commercial group debt of \$1m • Large clinic, or multi-site medical practices, located in metropolitan locations • Minimum of 4 consultation rooms • Consistent fees and profitable past trading performance (minimum 2 years) • No reliance on greenfield sites • Security of tenure (long lease) or commercial premise ownership. | <ul style="list-style-type: none"> • Minimum Commercial group debt of \$1m • Located in a medical precinct or in metropolitan locations • Primary provision of day treatments less than 23 hours • Minimum of 3 surgical rooms • Some level of procedural diversity, typically with one or two core specialties • Consistent fees across surgery, and profitable trading performance (minimum 2 years) • Accredited with multiple private health insurers • Security of tenure (long lease) or commercial premise ownership. |
|---|---|

Maximum LVR and Term

- | | |
|---|---|
| <ul style="list-style-type: none"> • 3-3.5x EBITDA*, or 70% of external valuation • Up to 1 year interest only per new acquisition, amortising over 10 years. | <ul style="list-style-type: none"> • 3-3.5x EBITDA*, or 70% of external valuation • Up to 1 year interest only per new acquisition, amortising over 10 years. |
|---|---|

Initial Due Diligence Information

- | | |
|--|--|
| <ul style="list-style-type: none"> • Financial reporting to include split of revenue by GP • Practice accreditation. | <ul style="list-style-type: none"> • Licenses/accreditation • Status of private healthcare contracts • Financial reporting to include theatre utilisation, CAPEX budget, and split of revenue by surgeon and split of procedures. |
|--|--|

All industries require company financials and a Loan Application Form for the directors/ partners

Security

- | | |
|--|--|
| <ul style="list-style-type: none"> • General security agreement (GSA) • Personal guarantees • SSA over equipment (best endeavour) • Service entity guarantees, if applicable • Mortgage over leases, or right of entry or equivalent tripartite (best endeavour). | <ul style="list-style-type: none"> • General security agreement (GSA) • Personal guarantees • SSA over equipment (best endeavour) • Service entity guarantees, if applicable • Mortgage over leases, or right of entry or equivalent tripartite (best endeavour). |
|--|--|

If required

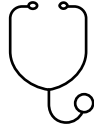
- Direction to pay
- Third party guarantees.

If required

- Direction to pay
- Third party guarantees.

* This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

Medical policy guidelines



DIAGNOSTIC



VET

Target Client Characteristics

- | | |
|---|--|
| <ul style="list-style-type: none"> • Minimum Commercial group debt of \$1m • Single clinic or multi-sites located in metropolitan locations • Minimum of 1 owner/ operator radiologist actively practicing in the clinic • Consistent fees and profitable past trading performance (minimum 2 years) • Security of tenure (long lease) or commercial premise ownership. | <ul style="list-style-type: none"> • Minimum Commercial group debt of \$1m • Single clinic or multi-sites located in metropolitan locations • Minimum 3 consulting rooms per clinic. • Professional vet services predominantly small animal • Consistent fees and profitable past trading performance (minimum 2 years) • Security of tenure (long lease) or commercial premise ownership. |
|---|--|

Maximum LVR and Term

- | | |
|---|---|
| <ul style="list-style-type: none"> • 3-3.5x EBITDA*, or 70% of external valuation • Maximum repayment term of 10 years (or aligned to Medicare license/ obsolescence of any key equipment/premises lease terms). • Up to 1 year interest only per new acquisition, amortising over 10 years | <ul style="list-style-type: none"> • 2.5-3 x EBITDA*, or 70% of external valuation. • Loan term is 5 years but repayments are amortised over 10 years • Up to 1 year interest only per new acquisition, amortising over 10 years |
|---|---|

Initial Due Diligence Information

All industries require company financials and a Loan Application Form for the directors/ partners

- | | |
|---|--|
| <ul style="list-style-type: none"> • Financial reporting to include split of revenue by referrer, by service type (e.g. x-ray/MRI) & capital expenditure budget • Practice accreditation. | <ul style="list-style-type: none"> • Financial reporting to include split of revenue by professional fees (vet services) vs non-professional fees • Vet board registration |
|---|--|

Security

- | | |
|--|--|
| <ul style="list-style-type: none"> • General security agreement (GSA) • Personal guarantees • SSA over equipment (best endeavour) • Service entity guarantees, if applicable • Mortgage over leases, or right of entry or equivalent tripartite (best endeavour). | <ul style="list-style-type: none"> • General security agreement (GSA) • Personal guarantees • SSA over equipment (best endeavor) • Service entity guarantees, if applicable • Mortgage over leases, or right of entry or equivalent tripartite (best endeavor). |
|--|--|

If required

- Direction to pay
- Third party guarantees.

* This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

Specialist Exertion Loan (Medico Specialists) policy guidelines



MEDICAL

Initial Due Diligence Information

All industries require company financials and a Loan Application Form for the directors/partners.

Last 2 years personal and/or business tax returns plus YTD Financials.

Qualifying Criteria

Other criteria may apply

- a. Must be in active employment for more than 2 years.
- b. More than 50% of gross income must be derived from operations as a medical professional.
- c. Must be a **GP, Medical Specialist or Surgeon** as defined by AHPRA (Australian Health Practitioner Regulation Authority).
- d. GP's must be a member of FRACGP (The Fellowship of the Royal Australian College of General Practitioners).

Maximum Total Loan Amount

- a. Up to **\$1m**** based on net taxable income from personal exertion for **Medical Specialists and Surgeons**.
- b. Up to **\$250k for GPs**
- c. Can lend in addition to SEL **<90% LVR no LMI**.

Interest Only (IO) Terms

Interest only period may be considered

** Capped at \$500k where the purchased asset is not held as security by the bank

Specialist Exertion Loan key features

Macquarie Business Banking provides healthcare professionals with fast and simple funding to help them achieve their business and personal goals. This product is structured as a Fully Drawn Advance.

LENDING PARAMETERS

<90%
NO LMI
RESIDENTIAL SECURITY

UP TO
\$1MILLION
NET TAXABLE INCOME
FROM PERSONAL
EXERTION*[^]

UP TO
\$1MILLION
FOR SPECIALISTS
AND SURGEONS**[^]

UP TO
\$250K
FOR GENERAL
PRACTITIONERS

UP TO
10 YEARS
AMORTISING (INTEREST
ONLY SUBJECT TO
CREDIT ASSESSMENT)

REQUIREMENTS

Security

- Personal or business General Security agreement (GSA) security. Asset security (SSA) may be taken in some instances
- Property security to be taken
- General Practitioners must have an ABN.

Loan purpose

- Funds must be for asset and/or income accretive purchases e.g. business, shares, property investment.

Proof of income and occupation

- Last 2 years personal and/ or business tax returns plus YTD Financials.
- Copy of registration with the Australian Health Practitioner Regulation Authority
- Must be in active employment for >2 years.

Credit and tax history

- No adverse credit history or tax arrears.

Other supporting documents

- Statement of Assets and Liabilities
- Personal insurance schedule
- KYC, Privacy Act and other standard documents
- Clear tax certification.

Minimum aggregate exposure across property and Specialist Exertion Loan

- \$1,500,000

* Earned via their own practice (i.e. not including business profits, dividends or rental income)

** Capped at \$500k where the purchased asset is not held as security with the bank

^ Income sensitised and assessed on stabilized net taxable income



Industry policy guidelines

Built Environment

Includes Engineers, Architects, Planners, Surveyors, associated service providers in Built Environment.



BUILT ENVIRONMENT



LEGAL

Initial Due Diligence Information

All industries require company financials and a Loan Application Form for the directors/partners

Aged debtors and breakdown of income by discipline (if appropriate).

Top 10 clients by revenue. Forward order book / pipeline.

Split of revenue by area of practice and by each partner. Aged debtors and Work-in-Progress from practice management software.

Qualifying Criteria

Other criteria may apply

Preference for **2 or more partners/directors**

Preference for **2 or more partners** (property security will be required for sole practitioners).

Maximum LVR

Up to **3.0x EBITDA*** subject to business turnover and number of guarantors.

For 2 partners, up to **1x yearly stabilised earnings per partner (capped at \$500k per partner)**.

For 3 or more partners, up to **1x yearly stabilised earnings per partner (capped at \$1m per partner)**.

INTEREST ONLY (IO) TERMS

May be considered up to a maximum of **2 years**, with all term debt to be repaid over a maximum of ten years.

May be considered for term debt only:

For 2 partners: up to **1 year IO before transitioning to 10 years** amortising.

For 3+ partners:

- IO up to 2 years for **≤\$750k** per guarantor
- IO ongoing for **≤\$100k** per guarantor.

VALUATION

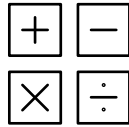
MBL internal valuation completed

Based on recurring fee revenue and/or multiple of EBITDA*.

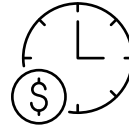
Based on stabilised earnings and/or partners' positions.

* This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

Industry policy guidelines (continued)



ACCOUNTING



FINANCIAL PLANNING

Initial Due Diligence Information

All industries require company financials and a Loan Application Form for the directors/partners

Split of revenue streams by business type and by corporate clients versus personal clients.

Top 20 clients by revenue.

Split of revenue streams by both investment and risk upfront / recurring income and grandfathered commissions. Details of AFSL (licensee holder).

Note: For lending to Authorised Representatives "AR" of a Dealer Group, please contact your Macquarie Commercial Broker BDM to confirm the Dealer Group is accredited with Macquarie for lending to be provided to that AR.

Qualifying Criteria

Other criteria may apply

- No more than **40% of revenue** derived from personal income tax returns
- 3 or more partners/directors** (security may be required for 1-2 partners directors)

- Minimum **recurring revenue of \$1.5m**
- 2 or more advisers**

Maximum LVR

The lower of:

- Up to 3.5x EBITDA****
- Up to 70%** of recurring fees
- Up to \$2m** debt per guarantor.

- For Self-licensed Firms the lower of up to **3.75x EBITDA* or 67% loan to value ratio*****.
- For Corporate Authorised Representatives the lower of up to **3.3x EBITDA* or 60% loan to value ratio*****.

INTEREST ONLY (IO) TERMS

Up to **3.0x EBITDA* amortising over a 15 year period.**

IO ongoing can be provided at **1.5x EBITDA*** if debt is less than \$350k per guarantor (excluding working capital limits).

May be considered.

VALUATION

MBL internal valuation completed

Based on recurring fee revenue and/or multiple of EBITDA*.

Based on multiple of investment and risk recurring revenue and/or multiple of EBITDA*.

* This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

*** LVR based on 2.3 x recurring wealth income plus 2.5 x recurring risk income

Additional debt to EBITDA limits apply above \$1m

Industry policy guidelines (continued)



INSURANCE BROKING

Initial Due Diligence Information

All industries require company financials and a Loan Application Form for the directors/partners

Split of revenue streams by fee & commission, premium funding and other.

Top 10 clients by revenue.

GWP split by policy class and underwriter from insurance broking software.

Qualifying Criteria

Other criteria may apply

- Trust account audit with **no adverse findings**
 - Minimum **recurring revenue \$500k**
 - Preference for **2 or more directors** (key person risk to be assessed for 1 director).
-

Maximum LVR

- For recurring revenue $\leq \$750k$, up to **67% of asset value** determined by internal Macquarie Multiplier and amortising
 - For recurring revenue $> \$750k$, up to **3.75x EBITDA***.
-

INTEREST ONLY (IO) TERMS

May be considered:

- For recurring revenue $\leq \$750k$, up to **3 years IO if $\leq 60\%$ LVR**
 - For recurring revenue $> \$750k$:
 - up to 3 years IO if **$\leq 3x$ EBITDA***
 - IO ongoing if **$\leq 2.5x$ EBITDA***
-

VALUATION

MBL internal valuation completed

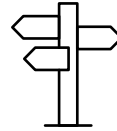
Based on multiple of commission recurring revenue and/or multiple of EBITDA*.

* This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

Industry policy guidelines (continued)



REAL ESTATE



STRATA

Initial Due Diligence Information

All industries require company financials and a Loan Application Form for the directors/partners

Split of revenue streams by sales commissions, property management commissions and other.

Rent roll statistics from property management software.

Split of revenue streams by base management fees, insurance and other.

The number of lots and buildings under management from strata management software.

Qualifying Criteria

Other criteria may apply

- Trust account audit with **no adverse findings**
- Able to demonstrate servicing based on **decline in variable revenue streams**

No more than **10% revenue** attributable to one building.

Maximum LVR

Up to a maximum of **70% of rent roll value** determined by internal Macquarie Multiplier (no cost to client) and must amortise to **60% within 3 years**.

- Where lots under management $\leq 5,000$, up to a **maximum of 70% of strata roll value** and must amortise to **60% within 3 years**
- Where lots under management $> 5,000$, **lower of 70% of the strata roll value or up to 4.5x EBITDA*** and must amortise to **4x EBITDA* within 2 years and 60% within 3 years**.
- Business Valuations determined by internal Macquarie Multiplier (no cost to client).

INTEREST ONLY (IO) TERMS

Ongoing IO may be considered where **$\leq 60\%$ LVR**.

$\leq 5,000$ LUM

Ongoing IO may be considered where **$\leq 60\%$ strata roll value**. Up to 12 months may be considered where **$\leq 65\%$ strata roll value**.

$\geq 5,001$ LUM

Ongoing IO may be considered where lesser of **$\leq 60\%$ strata roll value** or **$< 4 \times$ EBITDA*** is achieved. Up to 12 months may be considered where lesser of **$\leq 65\%$ strata roll value** or **$< 4 \times$ EBITDA*** is achieved.

VALUATION

MBL internal valuation completed

The valuation is based on a multiple of recurring property management fees, subject to location and characteristics of the property management portfolio.

Strata roll value based on recurring base contracted management fees dependent on location and/or multiple of EBITDA*.

* This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

Industry lending key features

Products across industry

	FULLY DRAWN ADVANCE	REVOLVING LINE OF CREDIT	OVERDRAFT ¹
	Financing solution for business growth and development	Redrawable short to medium term working capital for business activities	Short-term finance for business expenses
Max. loan term	5 years ²	5 years	On Demand
Min. loan size³	\$1,000,000	\$1,000,000	\$1,000,000
Borrowers	Individual, Company, Partnership, Trust	Company, Partnership, Trust	Company, Partnership, Trust
Security⁴	Property, Business Assets	Property, Business Assets	Property, Business Assets
Max. LVR⁵	Refer to Industry Guide	Refer to Industry Guide	Refer to Industry Guide
Principal & interest	✗	✗	✗
Principal + interest⁶	✓	✓	✗
Interest only⁷	✓	✓	✗
Interest capitalisation	✗	✗	✓
FEATURES			
Global facility limit	✗	✗	✗
Redraw	✗	✓	✓
Offset account	✗	✗	✗
Sub-accounts⁸	✓	✓	✗
FEES & CHARGES⁹			
Establishment fee	≤\$3m up to 0.50% of limit >\$3m available (& negotiable) on application	≤\$3m up to 0.50% of limit >\$3m available (& negotiable) on application	≤\$3m up to 0.50% of limit >\$3m available (& negotiable) on application
Line fee	✗	Line fees or unused limit fees may apply and are available on application	Line fees or unused limit fees may apply and are available on application
Ongoing fees	✗	✗	Ongoing fees and other fees may be applicable to the Business Transaction Account to which the overdraft feature is added

1 Not provided on a standalone basis, only available in addition to Business Transaction Account and other products. Interest is charged on the drawn balance. Borrower can repay the principal and interest in part or in full at any time.

2 Term can be extended up to 10 years subject to loan purpose, security and borrower type.

3 Minimum loan size is generally \$1M however may vary depending on a variety of factors. Contact us if you'd like more information.

4 Business Assets include rent roll, strata roll, goodwill, debtors and WIP.

5 Dependent on location and value of security.

6 Repayments made up of a set principal repayment amount plus interest accrued e.g. Monthly repayment of \$2,000 off the principal plus interest accrued for that month.

7 Maximum Interest Only loan term of 5 years, subject to credit approval.

8 All sub-accounts are required to be on the same interest rate and repayment type. Except for Global Facility Limits, all sub-accounts must have the same regulated/non-regulated loan purpose as the overarching facility.

9 Fees are current at time of publication of this guide and subject to change. Other additional fees and charges may apply. Please refer to loan documents and the Deposits Products and non-Cash Payment Facilities PDS in the case of an Overdraft <https://www.macquarie.com.au/assets/bfs/documents/business-banking/business-banking-deposits/deposit-products-and-non-cash-payment-facilities.pdf>.

This document is current as at September 2022. Updates to this document will be available at [macquarie.com.au/commercialbroker](https://www.macquarie.com.au/commercialbroker)

New client checklist

The following checklist gives you a guide of the information required for all new client applications.

1. Provide the following documentation to refer a new client

Items required for initial enquiry submission:

- Loan application form*
- An email confirming the client's clear tax position and no known statutory liabilities
- Financial statements / Income tax returns (past 3 years of accountant prepared statements and returns)
- Privacy consent form*

Additional items required to progress with a formal application:

- Customer identification form (forms available for individual, company, trust, partnerships)*
- Clear tax certification letter provided by your client's accountant*
- Specific industry data required for professional services firms (your BDM will advise what industry specific information is required)

* Available online at [macquarie.com.au/brokers/commercial-brokers](https://www.macquarie.com.au/brokers/commercial-brokers)

2. Email the completed forms and supporting documentation to your Macquarie BDM

All lending applications are subject to Macquarie's credit criteria and due diligence process.

macquarie.com.au/brokers/commercial-brokers

This information is issued by Macquarie Business Banking, a division of Macquarie Bank ABN 46 008 583 542 AFSL and Australian Credit Licence 237502. It doesn't take into account your client's objectives, financial situation or needs, nor is it intended as a substitute for any accounting, tax or other professional advice, consultation or service - please consider whether it's right for your client. This document is only for use by, and only applicable to loans that are introduced by, licensed mortgage brokers accredited with Macquarie - the contents of this document must not be copied, either in whole or in part, or distributed to any other person. If you are not the intended recipient, you must not use or disclose this document in any way.