

# RED Super Commercial SMSF Loan – Altdoc or Full Doc



## 75% Max LVR Commercial

UPDATED: 12 March 2024

The Red Super Commercial self-managed super fund loan (SMSF) loan is the ideal funding option for a self-managed super fund wanting to purchase a commercial property and obtain exposure to real estate assets.

<b>Description:</b>	Owner Occupied or Investment purposes. Purchase an existing property or Refinance an existing SMSF loan.	<b>Application Fee:</b>	1.0% of loan amount
<b>Loan Amount: Residential:</b>	Minimum: \$ 100,000 Maximum: \$3,000,000 (to 70%) Cat 1 Maximum: \$2,500,000 (to 75%) Cat 1 Maximum: (to 65%) Cat 2	<b>Valuation Fees:</b>	\$1,711 – properties to \$1.0m (metro Cat 1) \$1,986 – properties to \$1.5m (metro Cat 1) \$2,261 – properties to \$2.0m (metro Cat 1) Quote – properties >\$2.0m (metro Cat 1)
<b>Loan to Value Ratio:</b>	65% LVR (Cat 2 locations) 75% LVR (Cat 1 locations)	<b>Solicitor Fees:</b>	\$1,500 (includes Trust Deed reviews).
<b>Split Loans:</b>	Not available on Red SMSF.	<b>Guarantor Fee:</b>	\$250 (per application - not per guarantee)
<b>Term:</b>	Min. 15 years to 30 years maximum.	<b>Trust Fee:</b>	No separate fee (included in Solicitors' Fees)
<b>Repayment type:</b>	Variable Rate P&I or Interest Only (max 5 yrs).	<b>Settlement Fee:</b>	\$975
<b>Corporate Trustee:</b>	Must have corporate trustees.	<b>Title Insurance:</b>	Not applicable.
<b>Redraw:</b>	Not Available for SMSF loans.	<b>Monthly Fee:</b>	\$15 per month (No annual fees or reviews)
<b>Offset Account:</b>	Not available.	<b>Discharge Fee:</b>	\$690 + solicitors costs.
<b>Maximum Number of SMSF Members:</b>	Four (4) (Guarantee required from all SMSF members >18 yrs)	<b>Early Repayment Fee (ERF):</b>	Not applicable on commercial SMSF.
<b>Borrower:</b>	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).		
<b>Mortgagor:</b>	Property Trustee/s, which meet the requirements of the relevant legislation (and any associated regulations). Holds the legal interest in the security property on trust for the SMSF.		
<b>Guarantors:</b>	Loans must be supported by personal guarantee/s for the full amount of the loan from all beneficiaries of the SMSF. Guarantees must be in accordance with the requirements of the relevant legislation and associated regulations. Non-resident guarantors are unacceptable.		
<b>Guarantors Advice:</b>	SMSF Trustee borrowers and guarantors must obtain independent legal and financial advice and proof of such advice must be retained on the loan file.		
<b>Acceptable Securities:</b>	Retail Shops, offices (strata offices max 65% LVR), industrial units, factories, warehouse & workshop, multiple residential securities on one title, specialised securities (refer to BDM)  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.		
<b>Unacceptable Purposes or Securities:</b>	Construction Loans or Bridging Finance   Equity Release, Cash Out, Debt Consolidation or Home Improvements. Purchase/Refinance of properties occupied by SMSF beneficiaries or related parties   Non-Arm's length transactions. Purchases from a related party of the SMSF Trustee/s   Purchase or refinance of owner-occupied property. Vacant land, development sites, construction, subdivision, security substitutions, acquisition of property from members or related parties. Serviced apartments, apartments in a holiday let rental pool and/or fully furnished securities.		
<b>Additional Requirements:</b>	No Minimum SMSF net tangible assets required. <b>Minimum liquid asset position:</b> Must have 6 months repayments for all SMSF debts where the commercial security is vacant or has a lease with <12 months remaining. Available in Altdoc or Full Doc – can be serviced either Inside or Outside the Fund.		
<b>IMPORTANT:</b>	Conditions Apply. All fees include GST. Rates, fees & policies subject to change without notice.		

Allstate Home Loans Pty Ltd

Email: [hello@allstateloans.au](mailto:hello@allstateloans.au) | Website: [www.allstatehomeloans.com.au](http://www.allstatehomeloans.com.au)

Postal: PO Box 3553, Loganholme Qld 4129

Australian Credit Licence: 384512 | ABN: 86 010 377 018

Phone 1800 101 368

## Target Market for this Product:

The features of this Product have been assessed as meeting the likely objectives, financial situation and needs of consumers over the age of 18 where one or multiple applicants are self-employed returns. This product is likely to meet the needs of consumers looking for a loan amount of \$100,000 up to \$3,000,000, repayable over a term of up to 30 years.

This product is likely to meet objectives and needs investment consumers to finance the acquisition of residential property for investment purposes or refinance an existing SMSF home loan:

1. The ability to borrow up to 75% of the value of the property
2. The flexibility of a variable rate.
3. The ability to minimize interest paid over the life of the loan
4. The ability to make extra repayments to their loan;
5. The option of principal and interest or interest only repayments
6. Flexibility allowing early repayment of their loan.

Whilst there may be fluctuations to variable interest rates, we have assessed this Product as being consistent with the likely objectives, financial situation and needs of consumers in the target market.

## Outside of the Target Market for this Product:

Consumers outside the target market are consumers that:

1. Require a loan to finance the acquisition of property for construction purposes
2. Are self-employed and cannot provide financials.
3. Have material adverse credit; and
4. Are seeking to borrow for an owner-occupied property, or investment property outside of their SMSF.

## Description of Product including Key Attributes

1. Variable interest rate.
2. Minimum loan amount \$100,000.
3. Maximum loan amount \$3,000,000.
4. Maximum loan term 30 years.
5. Maximum Loan to Valuation Ratio (LVR) is 75%.
6. Repayment options:
  - principal and interest or interest only for investment.
7. Repayment frequency for principal and interest repayments – weekly, fortnightly or monthly.
8. Repayment frequency for interest only – monthly.

Note that exceptions may be made to the above on a case-by-case basis.

Allstate Home Loans Pty Ltd

Email: [hello@allstatehome.com.au](mailto:hello@allstatehome.com.au) | Website: [www.allstatehome.com.au](http://www.allstatehome.com.au)

Postal: PO Box 3553, Loganholme Qld 4129

Australian Credit Licence: 384512 | ABN: 86 010 377 018

Phone 1800 101 368