



## **Guide for Referrers**

*"Cleaner Loans, Better Results"*

*Affiliate member of:*

**CAFBA**

Commercial & Asset Finance Brokers  
Association of Australia



PRIVATE MORTGAGES  
AUSTRALIA

# About PMA

## Why does PMA exist?

Established in 2014, Private Mortgages Australia Pty Ltd (PMA) is a 100% Australian owned finance company that exists to help borrowers that have been failed by traditional banks due to bureaucratic inefficiencies and rigid lending criteria.

## How does PMA do this?

The biggest difference between PMA and traditional banks is that we don't take into consideration a borrowers serviceability. This is because all of our loans come with a component of prepaid or capitalised interest. Our loan terms are generally 6-12 months and ideal for short-term commercial requirements. Our Credit Committee makes the lending decision on behalf of our pooled investment Fund and has over 50 years combined experience in private lending, credit and investment.

## What does PMA do?

We specialise in finding solutions for a variety of different business borrowing and property development scenarios. Our sweet spot is helping borrowers who can't demonstrate serviceability and therefore can't access traditional bank finance.

## Who does PMA help?

### Business Borrowers

Business owners that own real-estate and need to access equity quickly for genuine business purposes but can't demonstrate serviceability to standard 'traditional lender' requirements.

### Property Investors

Investors that have a real-estate portfolio and need to access equity to improve an existing property or purchase a new property. They don't have liquid cash available and need a short-term mortgage until they can complete a full refinance.

### Property Developers

Novice or intermediate property developers that are growing into a full-time property developers. They have lumpy cash-flow and can't meet 'traditional lender' servicing requirements.





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# About PMA

## The PMA difference

- Low upfront assessment fees (\$550 - \$770 Inc GST)
- No charging clause in the Indicative Letter of Offer
- No cancellation fees in the Indicative Letter of Offer
- Valuation and QS fees at cost (and done at a reasonable value)
- Legal fees at cost
- Rebate unused interest on extension payments
- High level of repeat customers
- Win-win approach to lending

<b>Mortgage Manager:</b>	Private Mortgages Australia Pty Ltd
<b>Trustee/AFS Licensee:</b>	Primary Securities Ltd (AFSL# 224107)
<b>Lender of Record:</b>	Primary Securities Ltd ATF PMA Direct

## Our Solutions

We have a solution for almost every business funding requirement. Below are the solutions we've developed after years of helping businesses who are credit impaired, can't get finance from traditional lenders or need urgent funding.

PROPERTY SOLUTIONS	LVRS	RATES P.A.
<b>Urgent Settlement Saver</b> Need to settle on an intending development site or a property but a 'traditional lender' said no? If you require a First Mortgage up to \$3M loan amount, then we can help.	<ul style="list-style-type: none"> <li>• 'as is' up to 70% with improvements</li> <li>• 'as is' up to 65% on vacant land</li> </ul>	8.95% - 12.95%
<b>Core Construction</b> Need to construct a project but a 'traditional lender' said no? Are you building a commercial property or up to four residential units / lots? If you require a First Mortgage up to \$3M loan amount, then we can help.	<ul style="list-style-type: none"> <li>• 'as if complete' up to 65%</li> </ul>	8.45% - 10.45% + 2.5% Line Fee
<b>Construction Support</b> Need to construct a project but a 'traditional lender' won't give you enough cash? Is the First Mortgagee a 'traditional lender'? Are you constructing a commercial property or up to four residential units / lots? If you require a Second Mortgage up to \$2M loan amount, then we can help.	<ul style="list-style-type: none"> <li>• 'as if complete' up to 65%</li> </ul>	18.95% - 22.95%
<b>Completion Support</b> Need to construct a project but have a cost overrun? Are you building a commercial property or up to four residential units/lots? Is the First Mortgagee a 'traditional lender'? If you require a Second Mortgage up to \$2M loan amount, then we can help.	<ul style="list-style-type: none"> <li>• 'as if complete' up to 65%</li> </ul>	20.95% - 23.95%
<b>Residual Stock</b> Need to refinance a recently completed project but a 'traditional lender' won't give you enough cash? If you require a First Mortgage up to \$10M loan amount, then we can help.	<ul style="list-style-type: none"> <li>• 'as is' up to 70%</li> </ul>	8.95% - 10.95%

## Our Solutions Continued...

BUSINESS SOLUTIONS	LVRS	RATES P.A.
<b>Equity Release – First Mortgage</b> Need to quickly (re)finance a property to release cash for a genuine business purpose but a 'traditional lender' said no? If you require a First Mortgage up to \$10M loan amount, then we can help.	• 'as is' up to 70%	8.95% - 12.95%
<b>Equity Release – Second Mortgage</b> Need to quickly (re)finance a property to release cash for a genuine business purpose but a 'traditional lender' said no? If you require a Second Mortgage up to \$2M loan amount, then we can help.	• 'as is' up to 70%	14.95% - 19.95%

No serviceability required, interest is prepaid or capitalised up to 12 months + extensions.  
Rates are LVR and postcode dependant.  
Pricing for major metro areas provided, all other postcodes considered on application.  
Settlement within 5 days of receipt of all outstanding information.



## Fees & Charges

Loan Amounts	Approval Fee (includes referrer fee)	Fixed Referrer Fee	Net Approval Fee
\$100,000 - \$500,000	3.50% (plus GST)	1.00% (plus GST)	2.50% (plus GST)
\$500,001 - \$1,000,000	3.00% (plus GST)	1.00% (plus GST)	2.00% (plus GST)
\$1,000,001 - \$2,000,000	2.75% (plus GST)	0.75% (plus GST)	2.00% (plus GST)
\$2,000,001 - \$5,000,000	2.00% (plus GST)	0.50% (plus GST)	1.50% (plus GST)
\$5,000,001 - \$10,000,000	1.50% (plus GST)	0.50% (plus GST)	1.00% (plus GST)

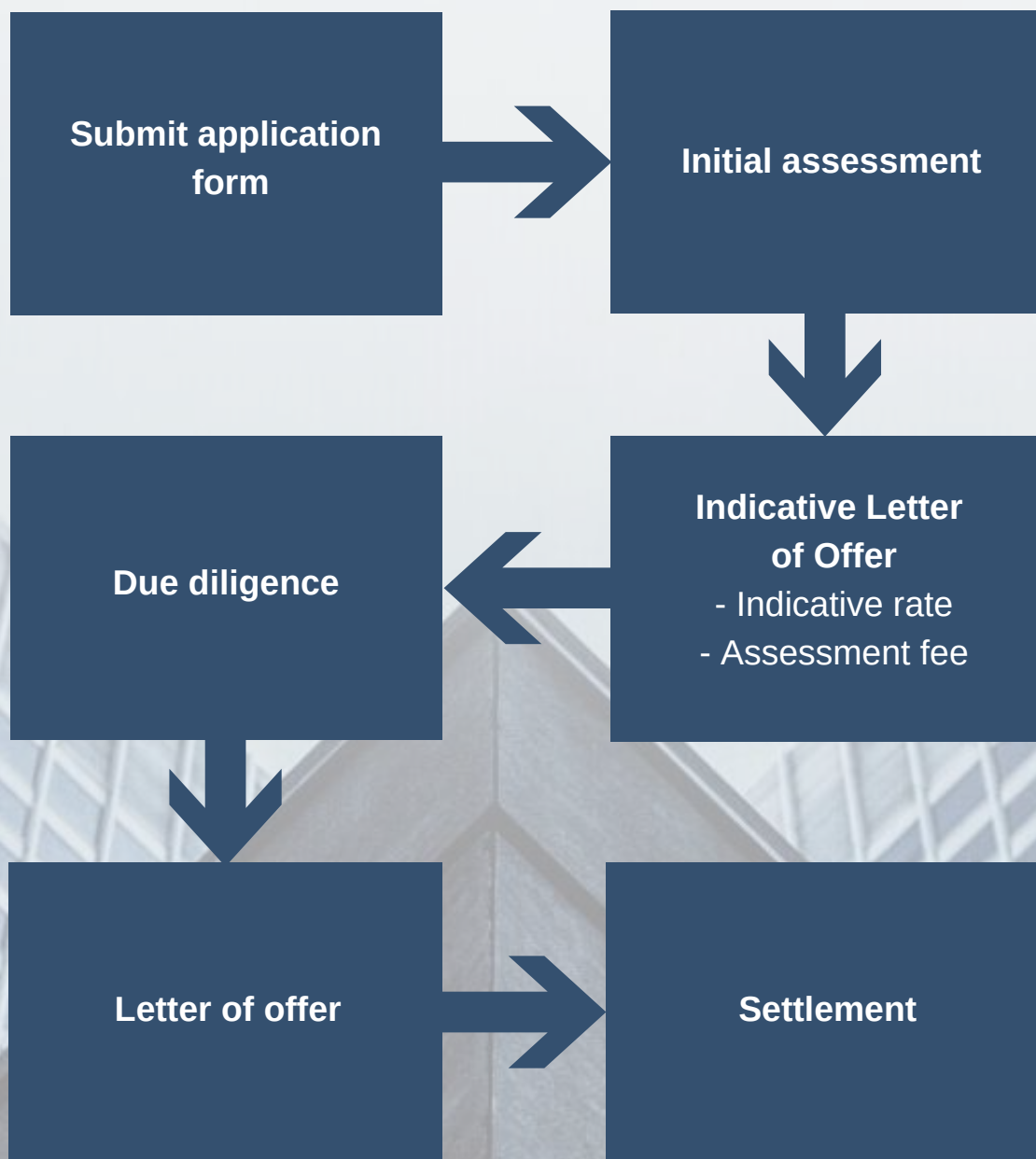
- No cost until your client's acceptance of our Indicative Letter of Offer (ILOO)
- On acceptance of our ILOO an Assessment Fee of only \$550 - \$770 Inc GST is payable (Based on Complexity)
- Valuation Fees: At cost, if required
- Quantity Surveyor fees: At cost, if required
- Legal Fees (incl. Disbursements) at cost, usually \$3,300 to \$4,400 (based on complexity)

Referrers have the ability to nominate a Service Fee up to 1.00% (Plus GST) if they don't have a signed mandate. If a referrer has a signed mandate then this amount will be included in the Indicative Letter of Offer.

Any variation on the above needs to be agreed in writing by PMA and the Referrer.

## Enquiry to Settlement Process

Our process is fast, efficient and at no cost to your client until acceptance of our Indicative Letter of Offer, when a small assessment fee is payable (\$550 to \$770 inc. GST depending on complexity) to cover costs for searches etc.



# Training & Support

## Webinars

Private Mortgages Australia hold regular educational webinars for referrers and their staff. Learn the basics of private mortgages, identifying opportunities, how it can be an additional income stream to your business.

## Referrer Resources

We have a dedicated page on our website for resources for our referrers. These include:

- Quick application form
- Product fact sheet
- Application checklist
- Webinar recordings
- Referrer mandate

## Referrer Rewards

We appreciate the great work our referrers do and reward this work accordingly, with all referrer fees paid within 24 hours of settlement with no clawbacks! To further thank our referrers we launched the Private Mortgages Australia Referrer Rewards Program. As part of the program, the value of all transactions settled with PMA will count towards your referrer rewards total and each time you reach a referrer milestone you will receive a voucher from PMA to spend at your favourite store. Each time you reach a new milestone we'll have a bigger and better reward for you, as below:

\$500,000 Loan Value = \$250 Flexi eGift Card

\$1,000,000 Loan Value = \$500 Flexi eGift Card

\$2,000,000 Loan Value = \$750 Flexi eGift Card

\$3,000,000 Loan Value = \$1,000 Flexi eGift Card + *Lifetime membership into PMA's Platinum Playground (receive a \$100 voucher for every \$100,000 of loan volume settled each month).*

## What is a Flexi eGift Card?

A Flexi eGift Card is an electronic gift card that lets you choose where you'd like to shop. You can choose from a huge range of retailers. What's more, you may be able to split your Flexi eGift Card and spend it at different shops.

*Note: Private Mortgages Australia reserves the right to make changes to the Referrer Rewards program from time to time.*



## Case Studies

### Case Study 1. Equity Release - First Mortgage

#### *Scenario*

The Borrower has a background in property investment and is considered a sophisticated investor.

The purpose of this loan was to provide urgent finance for an investment in the development of a retirement village located at Lake Macquarie in NSW. The mortgagee was about to foreclose and needed urgent equity release to keep the project alive.



Application for bank finance was submitted to NAB and was expected to be approved in due course, however the Borrower wished to proceed with works and was not prepared to wait for bank approval.

PMA was able to turnaround funds in five days so that the investment in the development project could continue.

The security property on offer was a residential unit in Bondi Beach with Owner Estimated Value of \$6m.

The Exit Strategy was to refinance with NAB project funding or should this be further delayed then direct refinance of the security property.

#### **Details**

**Security Property Valuation:** \$6,000,000

**Loan Amount:** \$2,000,000 (1st mortgage)

**LVR:** 33.33%

**Interest Rate:** 9.75% p.a.

**Term:** 3 months prepaid plus 3 monthly extensions

**Approval Fee:** 2.75% (plus GST)

**including Fixed Referrer Fee:** 0.75% (plus GST)

**Service Fee:** Nil

## Case Studies

### Case Study 2. Core Construction

#### *Scenario*

The Borrower has a background in property development and has completed several projects in Melbourne.

The Borrower had a previous loan with Private Mortgages Australia for the acquisition of land which is now being refinanced for the construction of two townhouses in Altona, Victoria.



They weren't able to obtain bank finance as they were not able to meet traditional banks' servicing requirements.

Security on offer was a residential block with land area of 543sqm. The planned development included two townhouses each including four bedrooms, three bathrooms and two car spaces plus quality appliances, glazed windows, alarms and CCTV cameras.

The exit strategy was to sell the properties and extinguish the debt.

#### **Details**

**Security Property Valuation:** \$1,980,000

**Loan Amount:** \$1,386,000 (1st mortgage)

**LVR:** 70% of 'as if complete' value (exc. GST)

**Interest Rate:** 11.95% p.a.

**Term:** 12 months prepaid plus 3 monthly extensions

**Approval Fee:** 2.75% (plus GST)

**including Fixed Referrer Fee:** 0.75% (plus GST)

**Service Fee:** Nil



## Case Studies

### Case Study 3. Urgent Refinance

#### *Scenario*

The Borrower has a background in property investment and owns residential and commercial properties in Mount Martha, Glen Waverley and Brighton East.

The purpose of this loan was to refinance from a major bank. They had all of their properties

mortgaged with the bank and cross-collateralised. This had started to cause issues as they had delays in accessing funds and lost out on securing properties they wished to purchase. They planned to slowly restructure their portfolio and removed a property in Kew from the bank.

They were able to obtain bank finance however, they were changing the title from two names to one name and were looking for quick funds to help in the transition. The bank was not able to fit within their time constraints.

The security on offer was a residential property in Kew, an inner suburb of Melbourne. The property is on 921msq land, with three bedrooms and three bathrooms with living area of 360msq.

The exit strategy was to refinance with a bank once the title has been changed from two names to one.

#### *Details*

**Security Property Valuation:** \$2,700,000

**Loan Amount:** \$1,650,000 (1st mortgage)

**LVR:** 61.6% 'as is' value

**Interest Rate:** 9.9% p.a.

**Term:** 3 months prepaid plus 3 monthly extensions

**Approval Fee:** 2.75% (plus GST)

**including Fixed Referrer Fee:** 0.75% (plus GST)

**Service Fee:** 0.75% (plus GST)





## Referrer Testimonials

*"My first dealing with Peter at PMA was very easy and resulted in a happy client. It was during the festive season too which usually makes it tougher but it all went well. Thanks again Peter, from myself and my client."*

**Don - Mortgage Broker, Melbourne**

*"I have recently settled a loan for one of my clients with Private Mortgages Australia being the lender. I congratulate them on a seamless process conducted in a very professional manner. The quality of service coupled with a mindset based upon how can we make this loan work to the mutual satisfaction of both parties is a refreshing experience."*

**Warren - Mortgage Broker, Adelaide**

*"Thank you once again for your support in helping our client achieve their financial needs. On behalf of myself and staff we deeply appreciate how this matter was handled, we received lots of dedication and support. We would definitely refer more business as we are sure that clients will be looked after."*

**Francesca - Mortgage Broker, Sydney**

*"I have found Private Mortgages Australia to have a high standard of skill, care and integrity. Their unique lending products can assist clients in many useful ways. Used the right way PMA is an efficient tool which can enhance clients' financial strength."*

**Janette - Mortgage Broker, Melbourne**

*"Just want to thank you and the boys for making this application so easy. Obviously my client thinks so too because he was happy to come back for another loan. With plenty of choices out there for private funding, it is nice to be able to find and deal with a company that is professional and reliable."*

**Kathy - Mortgage Broker, Maroochydore**

*"I found the team at Private Mortgages Australia to be very efficient and responsive with organising a loan process. Even when staff members were on leave, others stepped in and were across all aspects of the set up. We had a short amount of time to put together the deal, and the team were able to get the job done, which prevented financial burden. The communications with myself and external parties was excellent in making the deal happen."*

**Luke Moroney - Property Investor, Sydney**

## Get In Touch

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