

# Commercial/Business & Finance

## Commercial Mortgages

A commercial mortgage is similar to a regular residential loan except that the loan is applied to a purchase of commercial property. Commercial property generally includes retail shops or offices, warehouses and factory units.

Commercial mortgages are handled the same way as regular residential mortgages in that lenders want to ensure that their money will be making them more money. They will want to certify that the property being targeted is worth their investment and that the borrower's credentials are trustworthy.

If you are looking to acquire a commercial mortgage the first thing to do is put together a package detailing the potential of the property you want to buy.

If possible you should do a little market research that demonstrates the property's main selling points such as: if it is in a high traffic area, if it is easily accessible, etc... any feature that will make it more attractive in the eyes of a lender, whose main goal is to know that he or she will not lose money on this deal.

Finding the right lender is the next step and that is where we come in. We do more than just find the right lender for their clients; we also offer support, information and advice. Commercial property can be a great investment if well located and properly managed.

## Short Term Business Loans

From time to time business or investors find themselves in a situation where they need funds to get them through a short term slump, or to take advantage of a lucrative investment opportunity that presents itself. The business or investor may not be able to access normal loan funds in time to ward off financial difficulties or to take advantage of the opportunity that has presented itself. In both cases short term business loans may be the answer. Short term business loans are for business purposes only and usually the term is measured in months rather than years. The rate is much higher than normal business loans, (3%-10% per month are standard) but are usually easy and quick to obtain. These are pure asset lends with a maximum LVR of 80%. As it is a straight asset lend, credit checks and financials are not usually required.

## Medium-Long Term Business Loans

Many bank lenders charge hefty interest rate penalties for their business purpose loans. A surcharge of 1-2 percent is not uncommon and some overdraft rates are in excess of 12%. Non bank lenders are able to provide business purpose loans at the same rate as owner occupied home loan rates. If you need money for business purposes, why get ripped off by the banks when you can access the equity in your home or investment property at rates well below 7%.

## Contact Us

**Govind Sami**  
Director

Ph: 02 9822 5333  
Fax: 02 9824 1922  
Mobile: 0419 242 305  
Email: govind@phls.com.au

[www.phls.com.au](http://www.phls.com.au)

