

EquityCap



Wealthy Individuals with NIA*
over \$1M or net of over \$2.5M including
the family home & earning \$250,000+ per annum
can be a private lender

What you can expect as a private lender to our clients:

Above-market interest returns that privately funded loans continue to generate year-on-year. Funds safely secured by mortgages and caveats on Australian residential, commercial and retail property including vacant land.

Effective 1 July 2024 EquityCap borrowers return to lender's a monthly interest payment of 12% per annum net of fees for loans secured by 1st mortgages and a monthly interest payment of 15% per annum net of fees for loans secured by 2nd mortgages and caveats

Amount of funds required for you to be a lender

There isn't a predetermined amount. The ideal amount however is from \$1,000,000. The minimum loan amount to any borrower is from \$100,000. Typical loan amounts to borrowers are from \$100-500,000 and secured by registered and/or unregistered mortgages and caveats. You can expect a turnover of your loan funds several times a year.

Typical loan parameters to borrowers: from \$100k, property type agnostic, Australia-wide, 3-18 months term, up-to 75% LVR, first or second mortgage over Australian real estate. Interest payments from the borrower can be prepaid for the term of the loan so there can be no missed payments to you as the lender. Any and all fees are payable by the borrower, never you as the lender.

Advantages of using Lender and Mortgage Manager Private Lending Holdings Pty Ltd t/as EquityCap

The principal has specialised in short-term (1-3 years) property backed lending since 2017, long-term (1-30 years) property backed lending since 1995, has a trusted reputation built over 28+ years and a track record.

Highly experienced in-house management, handpicked external consultants, property valuers and a specialist property legal firm ensures all panel lender's benefit from collective skills and knowledge. Choose to have no or minimal hands-on involvement from you as the lender. All loans are approved by EquityCap's investment committee and credit committee following a rigorous due-diligence and credit approval process. All loans are handled by specialist mortgage law firms that conducts final due diligence and certifies the property title(s).

You are the lender

It'll be the name you nominate i.e (personal, company, trustee or SMSF) on the owners property title(s) or a bare trustee that our Solicitors arrange for you should you require confidentiality.

The security you lend against

The most popular is residential property followed by residential vacant land. Security includes townhouses, villas, apartments, duplexes, multi-level complexes, commercial property such as office buildings or factorettes, rural residential property, lifestyle acreage and retail property such as shops and pubs. We'll also accept development land and sites.

Lender and Co-lender options are available

You are given the option of lending 100% of a particular borrower's loan requirement and funds will be secured against one or more of the owner's properties. Or, choose to be a Co-lender and fund a few properties, different property types, to different owners and in different locations to suit. Returns are the same i.e lender, co-lender or both.

How and when your loan(s) are paid back

At the end of the loan which is up-to 18 months or if an approved extension, up-to 36 months, you can expect the return of your capital to the same account it was transferred from. Upon discharge, our legal firm arranges the release of your mortgage from the borrower's title(s), removal of charges on their PPSR and transfers the discharge proceeds back to your account.

Who you are lending to

Our clients, that become clients of the lender, and borrowers can only be Company Directors, Corporate Trustees of Family Trusts and SMSF's. Loans aren't available to Individuals, ABN holders without a Company, Family Trusts without a Corporate Trustee or Sole Traders. Borrowers are property owners or property buyers located across Australia. At all times the borrower will require an ACN otherwise loans cannot proceed to settlement.

When borrowers can't return your loan(s) on time

Despite a borrowers best laid plans to payout your loan at end of loan term, it does happen where an incoming lender changes their approval or a property sale falls through or their business cashflow didn't eventuate, perhaps the proceeds from sales didn't come through. The manager communicates with your borrower no later than 6-weeks before discharge is due to occur. If it looks like the exit plan has changed and discharge is unlikely to occur on time, management have options to refinance the loan to another panel lender, extend the loan term (LVR permitting), or place the property and borrower into the hands of **Lawyers** to sell the property and recover your loan funds.

How EquityCap receives income from borrower's

Our income is generated from fees and interest: Initial establishment fees typically 1-2% charged on each loan, on-going monthly management fees of typically 0.1%, due-diligence fees \$2,950 and a loading on the borrower's interest rate.

EquityCap.com.au

loans@equitycap.com.au

Tel: 02 8357 7088

equitycap.com.au/lenders.html

Broker/referrer dedicated business

Originators and Mortgage Managers