

# 2015 STAR RATINGS REPORT

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Business  
Loans





# Business Loans

May 2015

## Foreword

The majority of businesses in Australia are small businesses, mostly sole traders right through to those employing up to 19 staff. All deliver the goods and services that keep the country running and, at a personal level, underpin their families' lifestyles.

With any business operation, investment in residentially-secured loans or overdraft facilities is not taken lightly. Business owners and operators know more than most the perils of not thinking through any decision that will affect business profitability. That's why it's important to keep tabs on what you pay out. Small amounts on a loan, such as fees, can add up – remember the saying, the ocean is made up of many drops. If you can save money on any fees and charges, let alone interest rate on the loan, your business will be better off.

The world of banking products is constantly changing and there's every chance you have the intention but not the time to compare deals that are out there. However, CANSTAR does the hard yards for you, comparing 48 term loans and 49 overdrafts from 21 financial institutions. We look at everything to uncover interest rates, features and fee structures so you can easily identify the best option for your business. Even if you think your current loan is the best, you should know that for sure. It's all an important part of regularly monitoring the costs associated with operating a business.



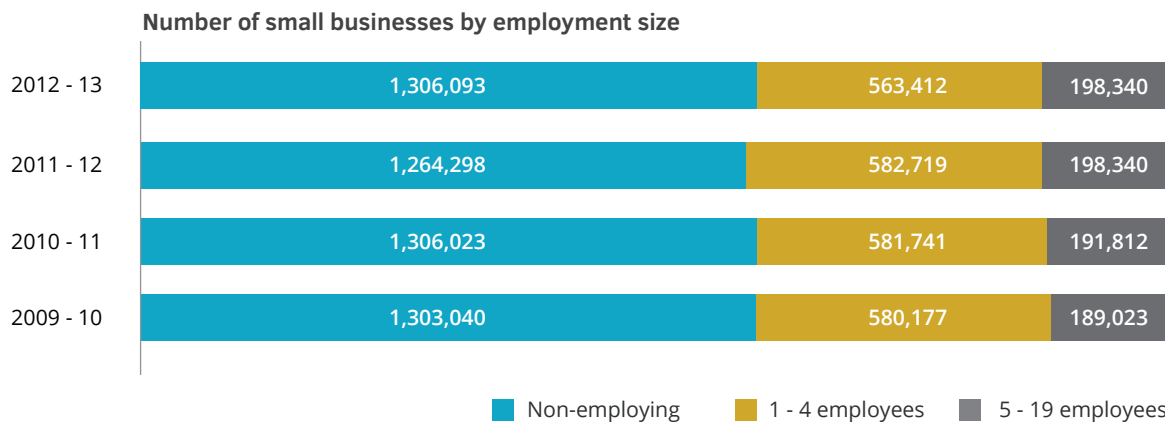
**Mitchell Watson**  
Research Manager

# BUSINESS BREAKUP IN AUSTRALIA



The number of businesses in this country is significant – 2.079 million, according to June 2013 figures from the Australian Bureau of Statistics. What’s even more enlightening is that 97%, or 2.025 million of these, are small businesses with less than 20 employees and an annual income ceiling of \$2 million.

As seen by the graph below, sole traders are well and truly in the majority. This “micro” business sector is the engine room of the country’s trading activity, employing around 4.5 million people in 2012-13, approximately 43% of private sector employment. This underpins the very fabric of Australian industry.



Source: ABS Cat. No. 8165.0, Counts of Australian Businesses.

## CONFIDENCE REMAINS FRAGILE – BUT BUDGET MAY GIVE A BOOST

“Now is the time for Australian businesses and households to borrow and invest,” declared Federal Treasurer Joe Hockey immediately after the Reserve Bank cut the official cash rate to a historic low of just 2%. “We encourage business to go out and spend on productive investments. Small business in particular should take advantage of record low interest rates.”

Whether businesses heed the treasurer’s advice may depend somewhat on the medium and long term effect on consumer confidence of the May Federal Budget. It was certainly a budget aimed at small business! The three main small business incentives were as follows:

- Companies with a turnover of less than \$2,000,000 will receive a tax cut, from 30% down to 28.5%.
- For small businesses not incorporated as a company will receive a 5% tax discount of up to \$1,000 a year.
- Small business can claim an immediate tax deduction for each and every item they purchase up to \$20,000. The incentive is available for two years.

Will this be enough to boost confidence? We will have to wait and see.

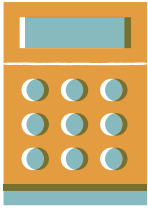


“Small business is often a family business. A business of brothers and sisters, uncles and aunts, cousins, parents and children. And for those who work in a small business, who are not related, well they often become family.

Our future growth will come from growing small business into big business. Every big company in the world started small.

Every big idea in the world came from just one person, or a handful of people working together. That is why tonight, I am announcing a package of measures that will make a genuine and permanent difference to small business in Australia...”

Federal Treasurer, Joe Hockey, Federal Budget 2015 transcript



## WILL BUSINESS BENEFIT FROM THE MAY RATE CUT?

Can business owners expect to benefit from the most recent (May) cut in the official cash rate? To determine that it's helpful to look at what happened after the February rate cut: CANSTAR has analysed business term loan and overdraft accounts on its database, comparing the reference rates on term loans and overdrafts as at 1 January 2015 and 1 May 2015. Based on this analysis:

- Of 33 residentially secured term loans, 31 have reduced their rates, 26 have moved by 25 basis points or more
- Of 32 commercially secured term loans, 29 reduced their rates, 27 have moved by 25 basis points or more
- Of 35 overdraft (residentially secured) business loans, 32 reduced their rates by 25 basis points with one loan cutting 100 basis points from its reference rate
- Of 32 overdraft (commercially secured) business loans, 28 reduced their rates by 25 basis points with 2 cutting their rates by more than 25 basis points

Rates are based on \$250k for term loans and \$100k for overdrafts

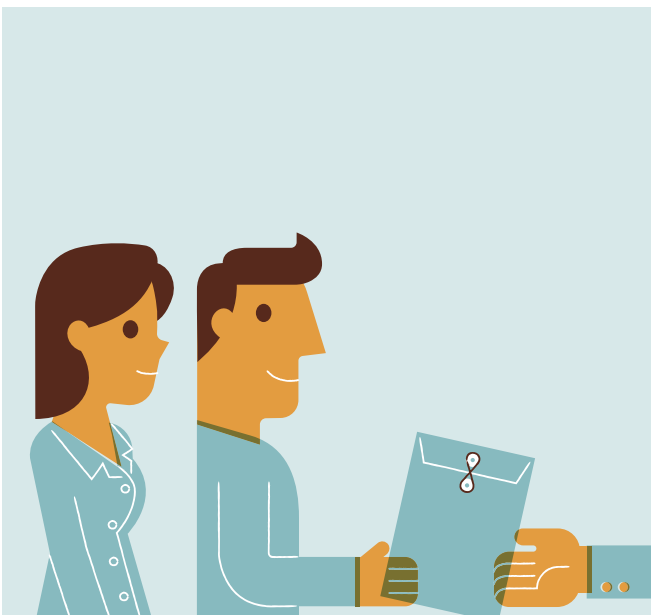
In other words, the majority of business loans did benefit from the February cut in official cash rate. So while small businesses may or may not heed the Federal Treasurer's exhortation to borrow and invest, those that do can, on balance, expect a lower-than-previous rate to be available.



## THE BUSINESS OF BORROWING

According to the RBA, conditions have generally improved for businesses over the past six months, supported by increased spending by households, low business lending interest rates and the depreciation of the Australian dollar. Lending to business has followed its moderate trajectory of \$2,379 billion in March, up from \$2,242 billion at the same time last year.

Smaller businesses typically access funding on less favourable terms than larger businesses. The reasons mostly relate to their size, in that smaller businesses' revenue streams can tend to be more volatile, increasing the riskiness of these loans to lenders. Not surprisingly, unincorporated business owners are less likely to use debt and have lower gearing levels than their incorporated cousins. And when they do take on debt, they take on less debt than incorporated businesses, says the RBA.





## REDUCE YOUR RISK

Looking good on paper in the eyes of the bank is essential if you want to get the best interest rate on your term loan or overdraft. Much of this preparation is simply good business practice which you probably already have in place and if you don't it may benefit your business operations to think about anyway.

For instance:

**Profitability** – Can you increase production by introducing more efficient work methods in all areas of the business? Can you strike a deal with suppliers for a discount on bulk purchases or buy cheaper off cuts or end runs? Do you really need to spend

money all those little extras that add up to a sizeable amount each year?

**Turnover** – What price do you sell your goods and services for and does it need tweaking? How can you get more business from your larger clients? Can you lock them in to a contract deal to ensure a regular cashflow?

**Experience** – When assessing your level of risk, the bank will look at the industry the business operates in and the business owner's experience, whether it is in the current industry or prior to that.

**LVR** – How much you want to borrow will make a difference so the bigger the deposit the better. If you are borrowing, the bank will also be mindful of the loan-to-valuation ratio.

So factors such as paying down debt, increasing sales volumes or profitability with good management can potentially reduce the risk margin for your business. If circumstances change for the better down the track, ask your bank to review your risk margin and the interest you are paying.

## IT'S NOT ALL ABOUT THE INTEREST RATE

Yes, the interest rate on your loan is important but don't ignore the fees you will be charged. Even more so than on home loans, the fees on business loans can bump up the overall rate you pay and may turn what you thought was a competitive advantage into a run-of-the-mill loan – or very expensive – loan. Business loan fees can be heavily tiered. Even more, they can be charged as a percentage of your loan rather than a set dollar figure. The more common fees are:

### Application fees

Similarly to home loans, business loans often charge an application fee. Depending on the loan size, this fee may be charged as a percentage of the amount being borrowed or as a flat dollar fee (or a combination of the two).

As an example, CANSTAR research found that for a term loan of \$250,000 (residentially secured), the application fee costs ranged from \$0 to \$2,500. That's a large variance for a relatively small loan.

### Ongoing (annual or monthly) fees

Ongoing fees can vary significantly. Some institutions, for example, tier this fee multiple times. That is, the size of your loan will determine the size of the fee. If the fee is charged on a percentage basis, it tends to become more expensive with a larger-size loan; this percentage-based fee can be from 0%

up to approximately 0.50%. Institutions may also charge an ongoing fee on a flat-dollar basis, depending on the size of your loan and the institution.

Using the example above of a term loan (residentially secured) of \$250,000, CANSTAR research found that fees can range from \$0 to \$1,200. Again, a significant variance.

Other fees that can apply can include:

- Documentation fees
- Valuation fees
- Legal costs
- Discharge fee



# FEATURES MATTER, TOO



Savvy businesses make full use of features that will help them become debt-free sooner, such as loan offset facilities, as well as features that give them access to their own loan money via redraw.

Aside from a competitively-priced loan product, CANSTAR considers the following features, among others, to be important components of determining value of business term loans and overdrafts.

For both:

- **Lending terms** – The basic conditions of the loan such as minimum and maximum borrowing amounts and terms;
- **Loan purposes availability** – The different purposes for which the loan is available;
- **Security accepted** – The types of security that can be used as equity;
- **Online security** – Additional security features such as secondary authentication that keeps your money safe;
- **Portability** – the option to transfer the loan from one security to another.

For Term Loans:

- **Redraw/Offset facility** – The ability to withdraw equity from the loan or reduce the interest costs by offsetting the loan against business savings;
- **Repayment capabilities** – How repayments can be made, at what frequency and whether additional repayments can be made and any limits that may apply;
- **Split & switching facility** – The ability of a loan to be split or switched between fixed and variable as well as the fees applicable.

For Overdrafts:

- **Overdraft terms** – the transaction accounts that are linked to the overdraft taking the various transaction costs and access channels.



Overall, it's in your best interests to regularly review your banking products, as both your commercial needs and the available products continually change. Reducing your small business banking costs can potentially save your business thousands.

It goes without saying that negotiating the lowest possible interest rate on your loan is a great start, as long as it doesn't compromise other features of the loan you may want to use. So factors such as paying down debt, increasing sales volumes or profitability and good management can potentially reduce the risk margin for your business. If circumstances have changed for the better, ask your financial institution to review your risk margin and the interest rate you are paying.





## Business Loans 2015

## FIVE STAR PRODUCTS

After researching 48 term loans and 49 overdrafts offered by 21 banks, we compiled the following list of five-star products offering outstanding value.

### Term Loans

- 3 x 5-star term loans – residentially secured
- 2 x 5-star term loans – commercially secured

### Overdraft loans

- 2 x 5-star overdraft loans – residentially secured
- 2 x 5-star overdraft loans – commercially secured





# METHODOLOGY

## BUSINESS BANKING STAR RATINGS

### What are the CANSTAR *Business Loans Star Ratings*?

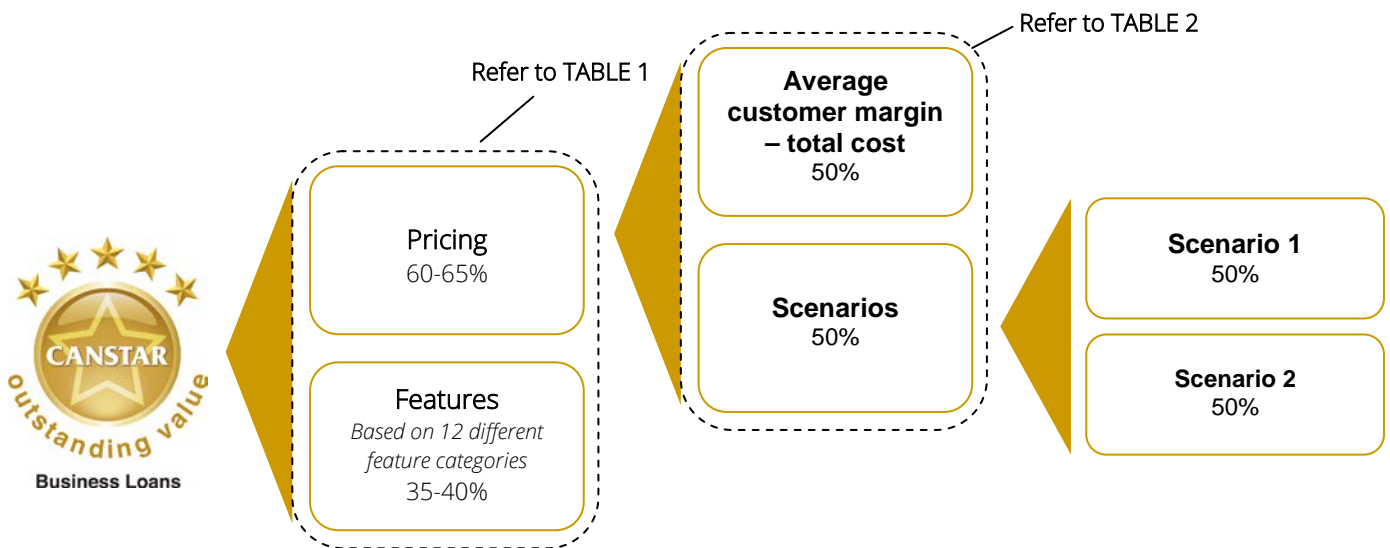
CANSTAR's *Business Loans Star Ratings* involve a sophisticated rating methodology unique to CANSTAR that compares business loan products in Australia. CANSTAR star ratings provide a transparent analysis of business loans, enabling consumers to narrow their search to products that have been independently assessed and ranked.

The results are reflected in a consumer-friendly five-star concept, with five stars signifying outstanding value offered by the product. Rising stars are awarded to products that would be rated five-star but have not been in the market for more than six months. Rising star products will be formally rated in the next period once more historical data is available.

### How are the 'stars' calculated?

To arrive at the total score CANSTAR applies a weight (w) against the Pricing (P) and Features (F). This weight will vary for each product category and will reflect the relative importance of either costs or features in determining the best business loan. This method can be summarised as:

$$\text{TOTAL SCORE ( T )} = \text{PRICING ( P )} + \text{FEATURES SCORE ( F )}$$



Residential and commercial-secured term loans and overdrafts were eligible to be considered in the *Business Loans Star Ratings*. CANSTAR understands that businesses use different forms of security. We also understand that some businesses require a one-time loan while others require access to a revolving line of credit. CANSTAR has separated the Business Loans star ratings into the four categories listed in TABLE 1 in recognition of these differences.

TABLE 1 also highlights the contribution of the pricing and features value components for each of the four categories.

**TABLE 1 - Business Loans star ratings components**

PRODUCT CATEGORY	PRICING	FEATURES
Residential secured term loans	65%	35%
Commercial secured term loans	65%	35%
Residential secured overdrafts	60%	40%
Commercial secured overdrafts	60%	40%



## Pricing component

The purpose of the *Business Loans Star Ratings* is to determine which products are best suited for a broad cross-section of business loan users. Because of this general focus, CANSTAR calculated the total cost for each product using a combination of the base rate, customer margins supplied by institutions, upfront and ongoing fees on two different loan amounts and also for two different business scenarios (see TABLE 2). The product with the lowest average total cost is then awarded the highest pricing score for the product category to which it belongs.

**TABLE 2 – Business Loans pricing scenarios**

	RESIDENTIAL PROPERTY SECURITY		COMMERCIAL PROPERTY SECURITY	
	TERM LOAN	OVERDRAFT	TERM LOAN	OVERDRAFT
LOAN CALCULATION TERM	10 YEARS	5 YEARS	10 YEARS	5 YEARS
AMOUNT 1	\$250,000 (50%)	\$50,000 (50%)	\$250,000 (50%)	\$50,000 (50%)
AMOUNT 2	\$500,000 (50%)	\$125,000 (50%)	\$500,000 (50%)	\$125,000 (50%)

The overdraft pricing calculation is based on a 50% utilisation of the facility.

## Features component

More than 100 individual features of each loan and overdraft are scored for positive traits and awarded a FEATURES score. TABLE 3 below highlights the contribution of the various groups of information to award the business loans FEATURES score.

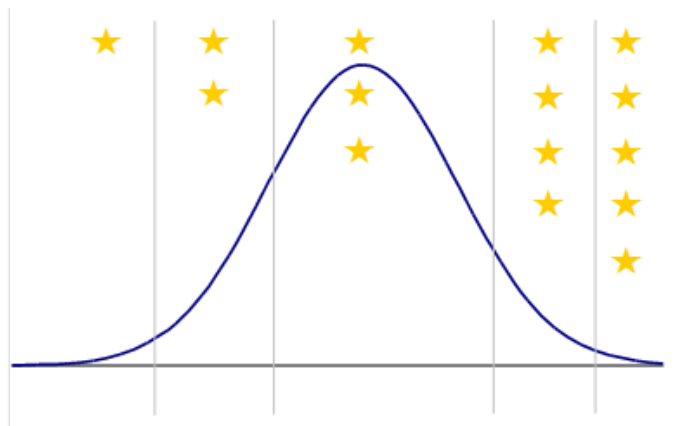
**TABLE 3 – Business Loans feature weights**

Feature category	Term loans	Overdrafts
Lending terms	30%	20%
Security accepted	5%	5%
Redraw facility	15%	-
Lending area	5%	5%
Portability	10%	5%
Loan purposes availability	10%	10%
Repayment capabilities	10%	-
Split facility	5%	-
Switching facility	5%	-
Overdraft terms	-	50%*
Online security	5%	5%

\*Overdraft terms takes the linked accounts score from the business transaction account star ratings with a weighting of 50% High and 50% Low Transactor.

## How are the stars awarded?

The total score received for each profile ranks the products. The stars are then awarded based on the distribution of the scores with the objective to award the top 5-10% of products with the CANSTAR five-star rating.



The results are reflected in a consumer-friendly CANSTAR star rating concept, with five stars denoting outstanding value.

## Does CANSTAR rate all products available in the market?

We endeavour to include the majority of product providers in the market and to compare the product features most relevant to consumers in our ratings. However this process is not always possible and it may be that not every product in the market is included in the rating nor every feature compared that is relevant to you.

## How often are CANSTAR *Business Loans Star Ratings* re-rated?

All ratings are fully recalculated every 12 months based on the latest features offered by each institution. CANSTAR also monitors rate changes on an ongoing basis.

## Does CANSTAR rate other product areas?

CANSTAR researches, compares and rates the suite of banking and insurance products listed below. These star ratings use similar methodologies to guarantee quality, consistency and transparency. Results are freely available to consumers who use the star ratings as a guide to product excellence. The use of similar star ratings logos also builds consumer recognition of quality products across all categories. Please access the CANSTAR website at [www.canstar.com.au](http://www.canstar.com.au) if you would like to view the latest star ratings reports of interest.



- Account based pensions
- Agribusiness
- Business banking
- Business life insurance
- Car insurance
- Credit cards
- Deposit accounts
- Direct life insurance
- First home buyer
- Health insurance
- Home & contents
- Home loans
- Life insurance
- Managed investments
- Margin lending
- Online banking
- Online share trading
- Package banking
- Personal loans
- Reward programs
- Superannuation
- Term deposits
- Travel insurance
- Travel money card
- Youth banking

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# Business Loans Star Ratings

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## Overdraft - Secured by Commercial Property

Company	Product	Published Rate (%) *	Loan Fees (\$50k)*		Loan Amount (\$)		Mandatory Repayments Necessary
			Application	Annualised	Minimum	Maximum	
★★★★★ "Outstanding Value"							
St.George Bank	Commercial Overdraft	8.30 and higher	600	120	No Min	No Max	✗
Suncorp Bank	Line of Credit (com sec)	6.45	800	320	10,000	1,000,000	✗
★★★★★							
Bankwest	Bus Equity Line(Oth Sec)	8.76 and higher	700	400	10,000	No Max	✗
bcu	Bus Line of Credit - S21	6.43	700	Nil	20,000	6,000,000	✗
Commonwealth Bank	Bus Line of Cred Oth Sec	8.23	500	600	50,000	No Max	✓
Heritage Bank	Bus Line Of Credit - Non-Res Sec	6.39	500	120	50,000	500,000	✓
★★★★							
ANZ	Business Credit Facility	8.09	600	600	50,000	3,000,000	✗
ANZ	Business Overdraft Commercial Prop	7.16 and higher	600	850	2,000	No Max	✗
BankSA	Commercial Base Rate	8.30 and higher	700	120	20,000	No Max	✗
Bankwest	Business Zero Overdraft - All Sec	8.70 and higher	700	600	5,000	No Max	✗
bcu	Bus O/Draft Secured	7.63	700	Nil	5,000	6,000,000	✗
Commonwealth Bank	Business OD Other Sec (Std Bus A/C)	9.73	500	560	No Min	No Max	✗
Commonwealth Bank	Business OD Othr Sec (Prem Bus A/C)	9.73	500	600	No Min	No Max	✗
Heritage Bank	Business Overdraft - Non-Res Sec	6.94	500	240	20,000	No Max	✗
NAB	Business OD Prime	7.47 and higher	600	600	20,000	No Max	✗
Newcastle Permanent	Business Overdraft	5.37 and higher	125	Nil	No Min	No Max	✗
People's Choice Credit Union	Business LOC - Comm Sec	7.02	600	120	100,000	1,000,000	✗



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## Overdraft - Secured by Commercial Property

Company	Product	Published Rate (%) *	Loan Fees (\$50k)*		Loan Amount (\$)		Mandatory Repayments Necessary
			Application	Annualised	Minimum	Maximum	
★★★							
<b>Suncorp Bank</b>	Business OD (com sec)	7.75	800	400	10,000	1,000,000	✗
<b>Westpac</b>	Business Overdraft - Com	7.58 and higher	820	420	No Min	No Max	✗
★★							
<b>Bank of Sydney</b>	Business Overdraft	10.43	200	660	1,000	No Max	✗
<b>bankmecu</b>	Commercial OD (comm sec)	6.94 and higher		Nil	10,000	No Max	✓
<b>Bankwest</b>	Business Bonus OD OthSec	8.70 and higher	700	600	5,000	No Max	✗
<b>Bankwest</b>	High Interest Trans A/c OD -All Sec	7.75 and higher	700	600	5,000	No Max	✗
<b>Bendigo Bank</b>	Bus Solutions OD All Sec	9.65	750	120	No Min	500,000	✗
<b>BOQ</b>	BusOD (All Sec) IO	8.74 and higher	750	500	10,000	No Max	✗
<b>Hume Bank</b>	Business OD Comm Sec	9.10	350	150	No Min	No Max	✗



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## Overdraft - Secured by Residential Property

Company	Product	Published Rate (%) *	Loan Fees (\$50k)*		Loan Amount (\$)		Mandatory Repayments Necessary
			Application	Annualised	Minimum	Maximum	
★★★★★ "Outstanding Value"							
<b>Commonwealth Bank</b>	Bus Line of Cred Res Sec	5.40	500	300	50,000	No Max	✓
<b>Hume Bank</b>	Business LOC	5.70 to 6.70	350	Nil	20,000	No Max	✓
★★★★★							
<b>bcu</b>	Bus Line of Credit - S21	6.43	700	Nil	20,000	6,000,000	✗
<b>Heritage Bank</b>	Business Line of Credit - Res Sec	5.54	500	120	50,000	500,000	✓
<b>Newcastle Permanent</b>	Business Overdraft	5.37 and higher	125	Nil	No Min	No Max	✗
<b>People's Choice Credit Union</b>	Business LOC - Res Sec	5.52	600	120	50,000	1,000,000	✗
<b>Suncorp Bank</b>	Line of Credit (res sec)	5.95	800	320	10,000	1,000,000	✗
★★★							
<b>AMP Bank</b>	Classic Line of Credit	5.95	600	120	40,000	500,000	✓
<b>ANZ</b>	Business Credit Facility	8.09	600	600	50,000	3,000,000	✗
<b>BankSA</b>	Business Maximiser	7.57 and higher	700	240	20,000	No Max	✗
<b>Bankwest</b>	Bus Equity Line Res Sec	8.76 and higher	700	400	10,000	No Max	✗
<b>Bankwest</b>	Business Zero Overdraft - Res Sec	8.70	700	600	5,000	No Max	✗
<b>bcu</b>	Bus O/Draft Secured	7.63	700	Nil	5,000	6,000,000	✗
<b>Bendigo Bank</b>	Bus Solutions OD Res Sec	7.75	750	120	No Min	500,000	✗
<b>Commonwealth Bank</b>	Business OD- Res Sec (Prem Bus A/C)	6.80	500	600	No Min	No Max	✗
<b>Commonwealth Bank</b>	Business OD- Res Sec (Std Bus A/C)	6.80	500	560	No Min	No Max	✗
<b>Heritage Bank</b>	Business Overdraft - Res Sec	5.94	500	240	20,000	No Max	✗



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## Overdraft - Secured by Residential Property

Company	Product	Published Rate (%) *	Loan Fees (\$50k)*		Loan Amount (\$)		Mandatory Repayments Necessary
			Application	Annualised	Minimum	Maximum	
★★★							
<b>NAB</b>	Business OD Prime	7.47 and higher	600	600	20,000	No Max	✗
<b>St.George Bank</b>	Business Maximiser	7.57 and higher	600	240	20,000	No Max	✗
<b>Suncorp Bank</b>	Business OD (res sec)	7.25	800	400	10,000	1,000,000	✗
<b>Westpac</b>	Business Overdraft - Res	7.58 and higher	820	420	No Min	No Max	✗
★★							
<b>ANZ</b>	Business Overdraft Residential Prop	7.16 and higher	600	850	2,000	No Max	✗
<b>Bank of Sydney</b>	Business Overdraft	10.43	200	660	1,000	No Max	✗
<b>bankmecu</b>	Commercial OD (res sec)	5.94	250	150	10,000	No Max	✓
<b>Bankwest</b>	Business Bonus OD ResSec	8.70 and higher	700	600	5,000	No Max	✗
<b>Bankwest</b>	High Interest Trans A/c OD -Res Sec	7.75 and higher	700	600	5,000	No Max	✗
<b>BOQ</b>	BusOD (Res Sec ) IO	7.99 and higher	750	500	10,000	No Max	✗
<b>Cairns Penny</b>	Bus OD - Residential Sec	8.00	500	760	20,000	1,000,000	✗
<b>Hume Bank</b>	Business OD Res Sec	8.60	350	150	No Min	No Max	✗



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## Term Loan - Secured by Commercial Property

Company	Product	Published Rate (%) *	Loan Fees (\$250k)*		Loan Amount (\$)		Maximum Loan Term
			Application	Annualised	Minimum	Maximum	
★★★★★ "Outstanding Value"							
Bankwest	Business FeeSaver Loan - All Sec	6.10 and higher	Nil	Nil	10,000	No Max	30 yrs
Commonwealth Bank	BBL Var Non-Res Secured	8.23	1,250	456	25,000	No Max	15 yrs
★★★★							
ANZ	Business Loan Var (Commercial sec)	7.16 and higher	1,875	750	10,000	No Max	15 yrs
Bankwest	Business Low Rate Loan- All Sec	5.90 and higher	1,250	240	1,000	No Max	15 yrs
NAB	Business Markets Loan- Variable	3.86 and higher	600	480	250,000	No Max	15 yrs
NAB	Market Rate Facility	3.86 and higher	600	480	50,000	No Max	30 yrs
Westpac	Business One Ln -Com	2.71 and higher	1,500	1,200	250,000	No Max	15 yrs
★★★							
BankSA	Business Loan Variable	6.72 and higher	1,250	Nil	30,000	No Max	25 yrs
bcu	Business Loan Base Rate	6.43 to 7.18	1,250	Nil	5,000	6,000,000	25 yrs
bcu	Business Premier Rate	5.73 to 6.48	1,250	Nil	250,000	6,000,000	25 yrs
Heritage Bank	Fully Drawn Non-Res Sec - Variable	6.39	2,500	120	20,000	No Max	15 yrs
Hume Bank	Commercial Ln (comm sec)	5.60 to 7.10	350	Nil	No Min	No Max	15 yrs
NAB	Bus Opts Instal Var Std	5.47 and higher	600	480	20,000	No Max	30 yrs
NAB	Bus Opts IO Standard	5.47 and higher	600	480	20,000	No Max	15 yrs
Newcastle Permanent	Commercial Bus Loan Var	5.37 and higher	625	Nil	No Min	No Max	15 yrs
RESI Mortgage Corp	Commercial Property Loan	6.00	1,875	Nil	100,000	3,000,000	20 yrs
St.George Bank	Business Loan Variable - Other Sec	6.72 and higher	1,250	480	No Min	No Max	25 yrs





# Business Loans Star Ratings

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## Term Loan - Secured by Commercial Property

Company	Product	Published Rate (%) *	Loan Fees (\$250k)*		Loan Amount (\$)		Maximum Loan Term
			Application	Annualised	Minimum	Maximum	
★★★							
<b>Suncorp Bank</b>	Business Essentials- Commercial sec	5.84	800	Nil	10,000	1,000,000	15 yrs
<b>Westpac</b>	Business Equity Access	5.63 and higher	820	120	20,000	1,000,000	No max
<b>Westpac</b>	Business Equity Access (term)	5.63 and higher	Nil	Nil	20,000	1,000,000	7 yrs
<b>Westpac</b>	Business LoanVar com sec	6.76 and higher	1,500	420	20,000	No Max	15 yrs
★★							
<b>Bank of Sydney</b>	Commercial Loan Variable	9.53 and higher	1,000	600	No Min	No Max	15 yrs
<b>bankmecu</b>	Commercial Loan (comm sec)	6.84 and higher	Nil	Nil	10,000	No Max	30 yrs
<b>Bendigo Bank</b>	Bus Solut All Sec Var	7.55	1,250	745	20,000	500,000	20 yrs
<b>Cairns Penny</b>	Bus Ln Variable-Comm Sec	7.15	1,250	60	20,000	1,000,000	10 yrs
<b>ING DIRECT</b>	Comm PropertyLn Variable	5.03 to 5.23	1,000	Nil	250,000	3,000,000	20 yrs
<b>ING DIRECT</b>	Commercial Equity Loan	6.78	1,000	Nil	250,000	3,000,000	5 yrs
<b>People's Choice Credit Union</b>	Business Loan Var - Comm Sec	6.92	1,875	Nil	50,000	1,000,000	25 yrs



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## Term Loan - Secured by Residential Property

Company	Product	Published Rate (%) *	Loan Fees (\$250k)*		Loan Amount (\$)		Maximum Loan Term
			Application	Annualised	Minimum	Maximum	
<b>★★★★★ "Outstanding Value"</b>							
<b>ANZ</b>	Bus Mortgage Loan Var	7.16	1,875	360	25,000	2,000,000	30 yrs
<b>Commonwealth Bank</b>	BBL Var Res Secured	5.90	600	96	25,000	No Max	30 yrs
<b>Westpac</b>	Business Equity Access	5.63 and higher	820	120	20,000	1,000,000	No max
<b>★★★★</b>							
<b>ANZ</b>	Business Loan Var (Residential Sec)	7.16 and higher	1,875	750	10,000	No Max	15 yrs
<b>Bankwest</b>	Business FeeSaver Loan - Res Sec	6.10 and higher	Nil	Nil	10,000	No Max	30 yrs
<b>BOQ</b>	Term Loan Res Sec Var	4.74 and higher	1,875	240	10,000	No Max	25 yrs
<b>Suncorp Bank</b>	Business Essentials-Residential sec	5.34	800	Nil	10,000	1,000,000	25 yrs
<b>★★★</b>							
<b>AMP Bank</b>	Classic Variable Rate	5.75	600	120	40,000	500,000	30 yrs
<b>BankSA</b>	Business Loan Variable	6.72 and higher	1,250	Nil	30,000	No Max	25 yrs
<b>Bankwest</b>	Business Low Rate Loan- Res Secured	5.90	1,250	240	1,000	No Max	30 yrs
<b>bcu</b>	Business Loan Base Rate	6.43 to 7.18	1,250	Nil	5,000	6,000,000	25 yrs
<b>bcu</b>	Business Premier Rate	5.73 to 6.48	1,250	Nil	250,000	6,000,000	25 yrs
<b>Heritage Bank</b>	Fully Drawn Res Sec - Variable	5.54	2,500	120	20,000	No Max	25 yrs
<b>Hume Bank</b>	Commercial Ln (res sec)	5.60 to 6.60	350	Nil	No Min	No Max	25 yrs
<b>NAB</b>	Bus Opts IO Standard	5.47 and higher	600	480	20,000	No Max	15 yrs
<b>NAB</b>	Business Markets Loan- Variable	3.86 and higher	600	480	250,000	No Max	15 yrs
<b>NAB</b>	Market Rate Facility	3.86 and higher	600	480	50,000	No Max	30 yrs



# Business Loans Star Ratings

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## Term Loan - Secured by Residential Property

Company	Product	Published Rate (%) *	Loan Fees (\$250k)*		Loan Amount (\$)		Maximum Loan Term
			Application	Annualised	Minimum	Maximum	
★★★							
<b>Newcastle Permanent</b>	Residential Bus Loan Var	5.37	600	Nil	No Min	No Max	30 yrs
<b>People's Choice Credit Union</b>	Business Loan Var - Res Sec	5.42	1,875	Nil	50,000	1,000,000	25 yrs
<b>St.George Bank</b>	Business Loan Variable - Res Sec	6.72 and higher	1,250	168	No Min	No Max	25 yrs
<b>Westpac</b>	Business Equity Access (term)	5.63 and higher	Nil	Nil	20,000	1,000,000	7 yrs
<b>Westpac</b>	Business LoanVar res sec	6.76 and higher	1,500	120	20,000	1,000,000	25 yrs
<b>Westpac</b>	Business One Ln -Res	2.71 and higher	1,500	1,200	250,000	No Max	25 yrs
★★							
<b>ANZ</b>	Business Saver	6.91	1,875	240	50,000	2,000,000	30 yrs
<b>Bank of Sydney</b>	Business Loan Variable	10.18 and higher	1,000	600	No Min	No Max	10 yrs
<b>Bank of Sydney</b>	Commercial Loan Variable	9.53 and higher	1,000	600	No Min	No Max	15 yrs
<b>bankmecu</b>	Commercial Loan (res sec)	5.94	1,250	Nil	10,000	No Max	30 yrs
<b>Bendigo Bank</b>	Bus Solut Res Sec Var	6.65	1,250	745	20,000	500,000	25 yrs
<b>Cairns Penny</b>	Bus Ln Variable-Resi Sec	7.15	1,250	60	20,000	1,000,000	15 yrs
<b>NAB</b>	Bus Opts Instal Var Std	5.47 and higher	600	480	20,000	No Max	30 yrs