

Classic Calculator

Commercial Guide

Classic Commercial Debt Service Calculator Guide

Overview

What does the SSC Debt Service Calculator do?

Calculates:

- applicant's adjusted Interest Cover Ratio
- an adjusted surplus income for servicing
- an indicative LVR
- indicative fees

Features

- will calculate serviceability for up to 10 applicants
- will calculate net income for individual, self employed and corporate applicants
- will calculate living expenses for unlimited households
- calculates loan repayments at any specified rate
- contains an acceptable security location listing for residential and commercial properties
- calculates indicative fees

Information required

- product type and loan amount
- number of applicants
- security type, location and estimated value
- rental income from security property/properties
- income and commitments (Full Doc applications only)
- loan term and rate (rate available from rate board on broker website)

Ensure that you print a copy of all pages of the calculator and send it in with the completed application form

Section 1 – Product Selection

Product type

- Full Doc products require information on applicant's earnings less commitments for servicing
- Simple Doc products only require security property net annual income for servicing

Number of applicants

Adjusts the number of applicants available for the input of income and commitment information on the 'Income and Expense' tab.

The 'Income and Expense' tab is accessed by pressing either of the 'Press for Income and Expenses' buttons or using the sheet tab at the bottom of the spreadsheet.

Proposed loan amount

Enter the total loan amount

Security properties

- choose between commercial or residential property types
- enter postcode - the calculator will prompt you if the security location is unacceptable
- enter the estimated market value of the security property
- property and/or post code fields will highlight red if data is not entered correctly

Relationship Management

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Section 2 - Earnings

'Press for Income and Expenses' button	Press button to go to the 'Income and Expenses' tab, to complete the earnings and commitments details for each applicant
Annual Commercial Property Income	Only enter income that relates to properties offered as security
Individual Income	Completed using the 'Income and Expenses' tab
Business Income	Completed using the 'Income and Expenses' tab

Section 3 - Commitments

'Press for Income and Expenses' button	Press button to go to the 'Income and Expenses' tab, to complete earnings and commitments details for each applicant
Number of households	<p>Enter the number of households</p> <ul style="list-style-type: none"> based on cost of living expenses, each household requires a minimum of one adult A figure must be entered into both the 'Number of Households' and 'Total Adults' fields to obtain a commitment figure
Other current loans and personal commitments	Annual repayment figures to be used
Credit cards (total limits)	Enter the total limits for all credit cards. The calculator will determine the annual repayments at 3% of total limits multiplied by 12 to obtain an annual figure
Net income for servicing	Summary figure for Serviceability Assessment based upon Income less Commitments (result will show as red if a negative figure).

Section 4 – New Loan Particulars

Available rate	<ul style="list-style-type: none"> Enter the rate applicable to your deal <p>Note:</p> <ul style="list-style-type: none"> A matrix of current rates can be found on the broker website The rate entered must be the higher of the variable or fixed rate for the applicable LVR.
Loan term	<ul style="list-style-type: none"> Enter the desired loan term in months – from 60 (5 years) to 300 (25 years) A loan term must be entered to obtain a serviceability result
Proposed loan(s)	<ul style="list-style-type: none"> Indicative Interest Only and indicative Principal and Interest commitments calculated on loan amount, Available Rate and Loan Term Serviceability calculation is based on the Interest Only payment

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Section 5 – Serviceability Assessment

Results of Serviceability	<ul style="list-style-type: none"> • Red = fail, Green = pass • the calculator will default to red before details have been entered • an acceptable result will turn the appropriate box green • owner occupied security is not acceptable for the Simple Doc product
Minimum debt service cover ratio	<ul style="list-style-type: none"> • 1.5x for Full Doc (investment or owner occupied) • 1.0x for Simple Doc (investment) <p>Note: the result is automatically sensitised by a +3.0% interest rate buffer above the Available Rate entered in the Section - New Loan Particulars</p>

Section 6 – Indicative Fees

Indicative valuation fees payable upon conditional approval	<ul style="list-style-type: none"> • Residential valuation fees charged at \$250 per valuation • Commercial valuation fees are unascertainable. Refer to Fees and Charges document. <p>These fees are to be used as a guide only and they may change depending upon the results of the valuation. The valuation fee is payable prior to Adelaide Bank instructing the Valuer</p>
Indicative other fees payable at settlement	<ul style="list-style-type: none"> • Application Fee: <ul style="list-style-type: none"> ○ for loan <\$900k: fee \$500 ○ for loan ≥\$900k: fee 0.5% of loan amount • Standard legal fees charged at a flat rate of \$950 per settlement (subject to the complexity of the settlement). <p>These indicative fees are to be used as a guide only and exclude government fees and charges payable at settlement</p>
Total indicative fees payable	All fees contained in the calculator are indicative and subject to change

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Income and Expenses tab

'Refresh Page' button	Used to clear all data from current page
'Debt Service Calculator' button	<ul style="list-style-type: none">toggles from 'Income and Expenses' tab to the 'Debt Service Cover' tab. Note: Information entered on this tab is automatically updated on the 'Debt Service Cover' tab
Number of Applicants	Adjusts the number of applicants available for the input of income and commitment information.
Interest Cover Ratio	If you have fully completed the 'Debt Service Calculator' tab then the calculator will provide you with a running serviceability result
Applicant title	Default naming: Applicant 1, 2 3 etc. You can change the applicants' names for easier reference
Income and Commitments	Enter all income and commitment details separately for each applicant. For PAYG applicants, the net PAYG income will be calculated based upon the current personal income tax rates
Number of applicants	<ul style="list-style-type: none">select the number of applicants on the first page under the 'Product Selection' sectionIncome and Expenses page will only show the number of applicants selected, other areas will be unavailable

Debt Service Calculator tab

Refresh Page button	Used to completely reset and clear all data entered into the calculator on all tabs.
Print Results	Print the 'Debt Service Calculator' tab and the 'Income and Expenses' tab

Finished

Print results button	Prints all pages of the calculator to your current default printer
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