

COMMERCIAL EDGE

Week 3 case study

The following case studies are presented as a learning tool only.

Delivery vehicle

Michelle Jones from Swampy Fishing Store has contacted you and advised they need a delivery vehicle for their store and would like your help to make sure they are getting the best deal. You have previously helped Michelle and her brother, Shaun with a couple of commercial deals and you helped set up Shaun's housing loan 3 years ago.

Michelle tells you that she has negotiated with the local Toyota dealership to buy a new Toyota Hilux Ute for \$52,500. She has put down a small deposit of \$2,500 and has made the offer subject to finance.

Michelle really needs the car by this coming Monday for a big delivery they have coming up. The Toyota Business Manager has told her he can get Michelle a great deal at 4.99%, no need for financials and has given her a quote.

You have all of Michelle's contact and business information from the previous commercial deals you did for her. You ask if any of the details have changed and Michelle confirms they haven't changed since the purchase of the West Perth retail property.

Michelle gives you a copy of the Toyota quote and you use this to create your Asset Finance quote in the AFG Business Platform while you are with Michelle.

Delivery vehicle continued...

Copy of Dealer Quote



Attention: David Drinkwater
 Date: 21-08-2020
 Quote: AFQ5421
 Quotation For: D43 Pty Ltd

Thank you for the opportunity to assist with your finance needs. Please see the below indicative quote based on the information you have provided;

Finance Quote Goods:	Toyota Hilux
Amount Financed:	\$51,520
Lender Establishment Fee (n.b. Some lenders require this upfront):	\$1,500.00*
Facility:	Chattel Mortgage
Term:	60 months in advance
Balloon/Residual (if applicable):	\$10,500
Monthly repayments:	\$824*
Ongoing monthly fee (included in monthly repayment above):	\$10*
Effective interest rate:	4.99%

Please note, this is not an offer for finance and all applications are subject to lender assessment. Rates and repayments may vary depending on the asset cost and type, contract type, loan term and balloon option.

Additional lender fees and charges may be applicable.

*These are indicative numbers only, and may change depending on which Lender is chosen.

If you would like to proceed with this quote or have any questions please call or reply to my email.

Yours sincerely,

David Drinkwater