

Commercial Kickstarter



Agenda

01 What's the opportunity?

02 Breaking down the steps to winning in commercial



Who are we?



Richele Janjatovic

Commercial BDM
VIC & TAS



Dawood Odeh

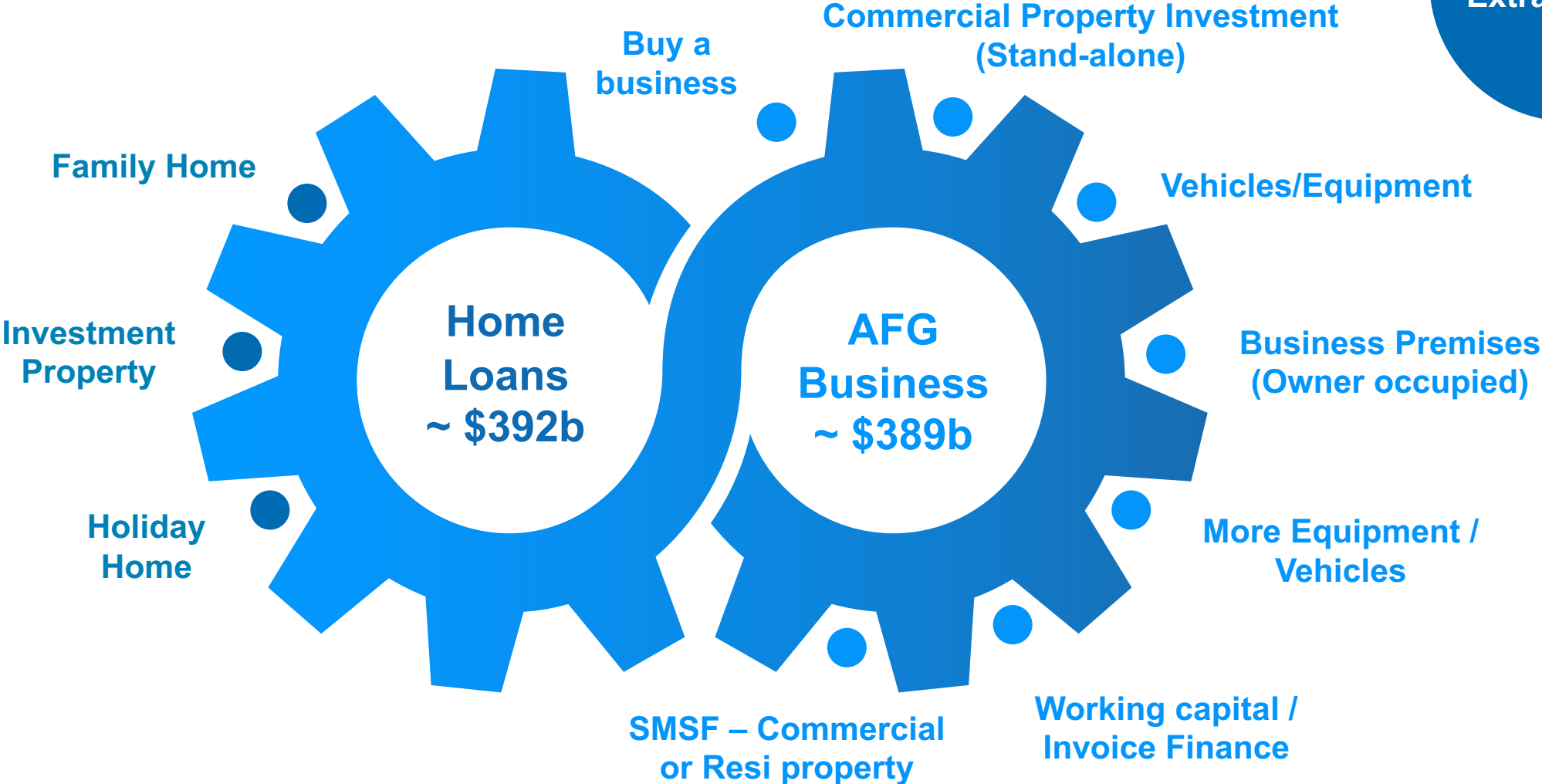
Commercial BDM
NSW, ACT & QLD

We are an additional resource to our members business. Irrespective of where you are on your commercial journey, we're here to help.

AFG Commercial have an experienced team and our goal is to find the best solution for you and your customer.

Business Customer Lifecycle

Same Client –
Extra Income



Increase your return – Paid referral 30%

Residential Home Loan \$450,000	
0.60% Upfront	\$2,700
0.165% trail over 3 years	\$2,228



Commercial Property Loan \$500,000	
0.50% Upfront	\$2,500
0.165% Trail over 3 years	\$2,475



Asset Finance \$150,000 – 3 cars	
3% Brokerage	\$4,500



Total income \$14,403	
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Referral fee = \$810

Net income (HL only) = \$1,890

Net income (HL + Commercial + AF) = \$13,593

What did it cost you?

Home Loan only

\$810 / \$4,928 = 16%

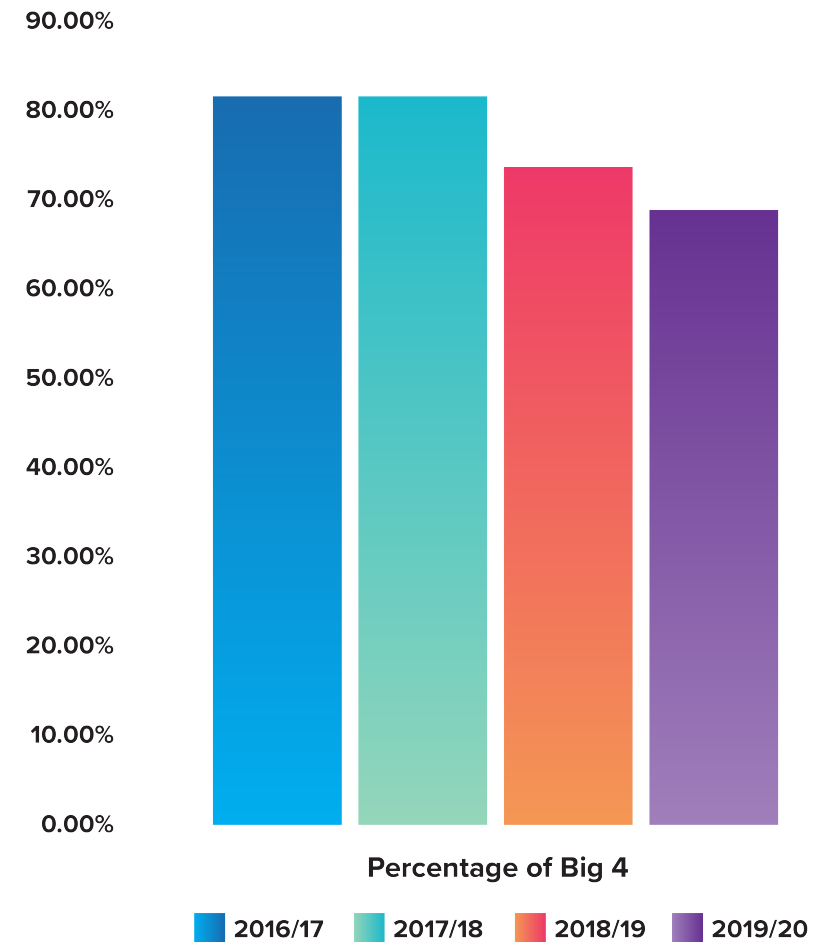
Home Loan + Commercial + Asset Finance

\$810 / \$14,403 = 5%

**Increase your
return by over 300%**

**Market share
for the majors
is reducing in
the commercial
space.**

Lender Share of Big 4

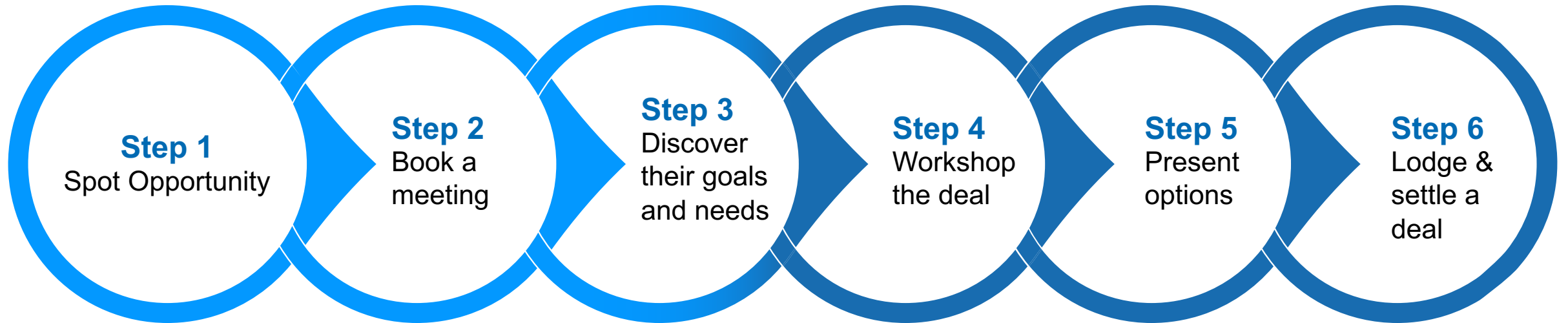


What support do you need?

$$(K + P + S) \times M = OP$$

- | | |
|------------------|--|
| Knowledge | Do you need a better understanding of commercial – if so, what specifically? |
| Process | Do you need more support on how to submit and structure the deal? |
| Skill | Do you need help having conversations with self employed clients? |
| Mindset | Do you want to? |

Six steps in commercial



Step 1

Spot the opportunity

1. Market online – LinkedIn, FB and Instagram
2. Existing Financials
3. Align yourself to an accountant
4. Align yourself to a business broker
5. Align yourself to a commercial agent



Refer to handout – Financials

Step 2

Book the meeting

- Use the double bind technique

“Hi XXXX,

The purpose of my call is because I was thinking about your business and would love to float an idea past you. Would next Wednesday after 1pm or Thursday after 10am. What time suits you?”



Step 3

Discover their goals and needs

- Utilise your aggregator fact find or create your own
- Your goal is to walk away understanding:
 1. Purpose of funds
 2. What they do
 3. What is important to them



Step 4

Workshop

Purpose of funds:	Seeking a commercial property for o/o purposes. Clients will cease renting and the new site will provide an additional 600 sqm storage and office space.
Address:	123 ABC St, Port Melbourne
Purchase price:	\$1,200,000
Loan amount sought:	\$960,000
LVR Sought:	80%
Stamp duty and GST:	Client will self fund
Additional landed security:	Nil
Sponsor:	Sponsor has been in commercial and residential plumbing for 11 years and operating his business for 6 years
Website:	Insert website of the business
Doc type:	Full financials available
Other:	Paid default on personal credit file \$256.98
Important to the client:	Lowest deposit and need for low doc as financials are not available



Step 5 Present options

Lender Product	Loan details of facility	Eligible LVR Amount	Interest rate	Loan term (in years)	Repayment mode	Product info	Status	Action
nab nab Self Storage Self-Storage	Purchase Commercial property (\$1,000,000)	\$1,500,000	Variable interest rate -1.75% p.a.	1-15 yrs	Principal & interest monthly payments	Customer must have an existing relationship with nab or have 2 years of operating history in the self-storage industry. All self-storage units must be leased. Documents Required: 15		
AFG COMMERCIAL AFG Term Loan 10% EOL - 10%	Purchase Commercial property (\$1,000,000)	\$1,500,000	Variable interest rate -1.25% p.a.	1-20 yrs	Interest only monthly in advance principal & interest monthly payments	AFG will not finance commercial property used for retail, medical, educational, or government purposes. Commercial property must be purchased with a minimum 20% deposit. Documents Required: 16		
La Trobe Commercial Bank	Purchase Commercial property (\$1,000,000)	\$1,500,000	Variable interest rate -1.00% p.a.	1-20 yrs	Interest only monthly in advance principal & interest monthly payments	Interest only monthly in advance principal & interest monthly payments Documents Required: 17		
Liberty SuperCredit Commercial Bank	Purchase Commercial property (\$1,000,000)	\$1,500,000	Variable interest rate -1.75% p.a.	1-20 yrs	Interest only monthly in advance principal & interest monthly payments	Interest only monthly in advance principal & interest monthly payments Documents Required: 18		
La Trobe Commercial Bank	Purchase Commercial property (\$1,000,000)	\$1,500,000	Variable interest rate -1.50% p.a.	1-20 yrs	Interest only monthly in advance principal & interest monthly payments	Interest only monthly in advance principal & interest monthly payments Documents Required: 19		

AFGB Program

- Commercial BDM's + PM Support
- Commercial Scenario and Support Desk
- Learning and Development Program
- Commercial Edge Training Program
- Specialist Lender Product Program

Diversify your income and offer a complete financial solution

AFG Business is the only platform of its kind in Australia. You'll be equipped with the tools and strategy to help you diversify into business lending.



AFGB Platform

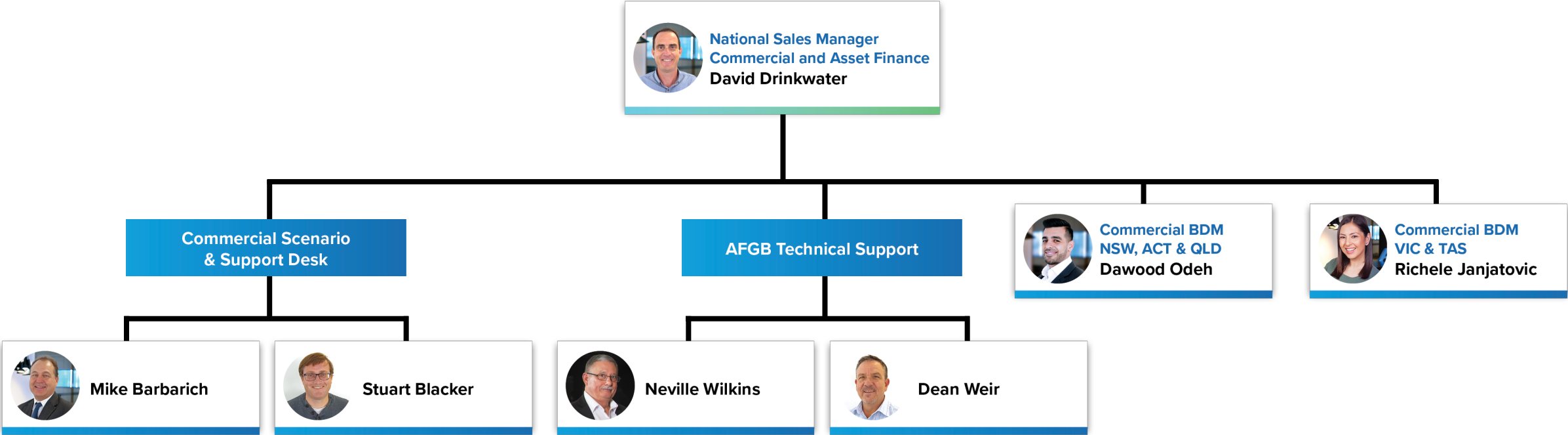
Asset Finance



Commercial



Our Commercial Team Structure



Collectively > 150 years of commercial lending experience
Minimum of 10 Years

Next week Session two

Case study – Commercial
property

Getting the word out that you're
a commercial finance broker

Contact us



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