



Buying commercial property

A case study







PROPERTY STRATEGY



A recent strategy meeting with CS Pty Ltd resulted in the following:-

- > The need for a 1,500 sqm workshop.
- > The need for an overhead gantry crane (or the ability to be able to install a crane).
- > The need for a site area of 3,500 sqm.
- > A want of corporate style partitioned offices.
- > A want of two street access.

In this instance, our strategy discussion resulted in the client realising two street access and corporate office partitioning were not going to add functionality or value to their business. And removing these attributes opened significantly more possibilities.



FINANCE STRATEGY

Further discussions were held with CS Pty Ltd, uncovering:-

- > Preference to protect the family home from direct security
- > A long term need with balanced risk position to interest rates
- > \$900,000 deposit, however preferred budget of \$3,000,000
- > Importance in a full finance relationship and growing Cap Ex requirement.

In this instance, our strategy discussion resulted in location of a suitable property with overhead gantry crane already installed. Due to strong forecast cashflows we managed to facilitate the finance of this crane via equipment finance, providing sufficient funds to assist with fees and stamp duty. This allows us to negotiate the commercial property with stand alone security, whilst the facility supported a mix of fixed and variable interest rate risk.



OPTION REPORT



The team at We Speak provided a detailed option report for properties which met CS Pty Ltd's requirements:

- > Detailed research and options presented
- > Photo's and video's were taken with inspections completed on the high match properties
- > Overview and SWOT analysis presented
- > Alternate uses and risk assessment was delivered



INSPECTION AND NEGOTIATION

The directors and CS Pty Ltd shortlisted 3 properties and full inspections were undertaken. Mortar Finance collaborated with We Speak to ensure funding could be achieved and negotiations were undertaken by We Speak.

With a long history in valuation and delivering strategic property advice, the We Speak team understood the value in property. As they were able to present technical assessments of the property CS Pty Ltd were able to achieve a favourable outcome.



The team at Mortar Finance worked alongside CS Pty Ltd directors, their accountant and We Speak to gather the remaining information, structure and pricing to deliver a timely decision on the finance request.

The impact to the business time was minimal, yet the financier and pricing structure was market leading.

Mortar Finance, without sacrifice, was able to work in the sole interest of CS Pty Ltd to provide insights, recommendations and advice on the best outcome to support their business goals.



In this instance CS Pty Ltd entrusted the networks of We Speak and Mortar Finance to deliver an outstanding settlement process. This included:

- > Conveyancing
- > Due Diligence (completed by existing accountant who referred the business)
- > Financial planner for income protection
- > Insurance broker for asset protection






Mortar Finance managed to execute ongoing finance supporting; including:

- > Quarterly meetings to support the continued business growth
- > Equipment finance line of credit to facilitate future capital expenditure
- > Transactional requirements
- > Invoice finance facility to facilitate cash flow requirements

Whilst in this example We Speak provided no further support; other examples have seen an important role delivered; including:

- > Leasing and property management
- > Continued strategy and asset maximisation
- > Ongoing valuation work



US	THEM
	
Property Purchase	
\$1M	\$1M
Finance Fees	
\$5k	\$5k
Buyers Agent Fees	
\$0	\$10k
\$5k 	\$15k

Don't
sacrifice
the
right
advice

*This scenario is an example only
and may not be a true reflection of
fee's.

Your Dream

Our Experience

Your choice of suppliers and support



Zac Goodman is an experienced business banker who founded Mortar Finance to offer Commercial property investors and businesses a dedicated finance relationship.

Zac believes Australian SME's deserve a dedicated relationship manager, they deserve value, they deserve choice, they deserve more.

Call today for a FREE consultation.

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CREATE



Alan Finch is a highly regarded property consultant with over 16 years of experience providing quality advice throughout Queensland. Alan recognises the need to provide tailored solutions to a wide range of clients, in order for them to make smarter property decisions. From this awareness, We Speak Property was established.

Call today for a FREE consultation.

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