



Macquarie Business Banking Commercial Lending Guide

Banking solutions to help grow your client's business

About this guide

The Commercial Lending Guide is a resource for brokers accredited with Macquarie Business Banking and is only applicable to loans that are introduced by brokers. The information in this document is only a guide and is current as at May 2025. Updates to this document will be available at **macquarie.com.au/brokers/commercial-brokers**. Each loan will be subject to individual assessment in accordance with our credit and other internal policies.

Commercial Lending Guide consists of 2 Parts:

Part A Lending Parameters

Part B Product Parameters

Where relevant, refer to our page regarding Design and Distribution Obligations at **macquarie.com.au/important-information/design-and-distribution-obligations**.

Why choose Macquarie Business Banking?

With Macquarie Business Banking's specialist understanding of broker finance for small businesses, we bring a valuable perspective across a number of industries. Our committed team of Business Development Managers are equipped with industry-specific knowledge and benchmarking, to provide strategic insights at every stage of the business lifecycle.

Macquarie Business Banking's tailored finance solutions can help your clients evolve to achieve their business goals:



Grow their business



Mergers and acquisitions



Succession planning



Working capital



Property purchase and refinance

At Macquarie Business Banking, we bring a valuable professional culture to banking and financial services. We focus on providing you with financial tools and solutions to help your clients achieve their lending goals. Our flexible approach and 'can do' attitude helps you put a tailored plan in place.

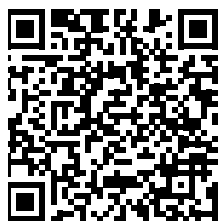
Macquarie Business Banking can help you focus on the things that matter most to you and your clients.

Macquarie Business Banking provides banking and business services to clients in a number of core industry segments including; strata, residential and commercial real estate, medical, insurance broking, financial planning, built, technology, legal and accounting. Each client is allocated a dedicated relationship manager who understands the dynamics and constraints specific to their industry.

We work closely with our clients to find innovative ways to address their challenges and grow their businesses. This includes providing them with tailor-made deposit, lending and payment solutions. We also provide a range of diagnostic tools to identify efficiencies, benchmarking data and host industry-specific networking events.

For specific details on our commercial finance offerings, please contact a Macquarie Business Banking Business Development Manager.

Scan the QR code to access their contact information on our website.



Macquarie Commercial Loans tools and resources including the new client checklist can be found at:



Part A - Lending Parameters

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Guidelines for commercial investors in property

	COMMERCIAL PROPERTY	Residential Property ¹
Initial due diligence information All industries require company financials, an application form and personal information forms for the directors/partners	Full tenancy schedule detailing for each tenancy: size of space, lease details, start and end dates including options and termination rights, current passing rent, outgoings obligations, guarantees and rent adjustment terms. Net asset position of guarantors.	Tenancy schedule outlining: amount, expiry terms, property description, size, inclusions e.g. parking. Net asset position of guarantors. Note: Loans to developers are generally not permitted under these Guidelines. Developers are defined as counterparties that derive a material proportion of their income from development and/or directors that provide personal guarantees for property development loans funded by other lenders. Details of the client's industry will need to be advised.
Servicing criteria	Minimum interest cover is dependent on the property value and LVR:	
	Property value	LVR
	≤\$7.5m	≤60%
	≤\$7.5m	>60%
	>\$7.5m	≤70%
	Includes buffer, currently 1%. If these thresholds are met, we will not assess individual guarantor servicing.	
Acceptable locations	Metro: Sydney, Melbourne, Brisbane, Canberra, Perth, Adelaide. Regional Centres: Wollongong, Newcastle, Lake Macquarie, Maitland, Port Stephens, Central Coast, Gold Coast, Sunshine Coast, Ballarat, Bendigo, Geelong.	
Acceptable security	Office, industrial, retail, mixed use. Specialist assets may be considered.	Residential property.
Maximum LVR	Up to 70%	Up to 70%
Valuation	Valuation to be conducted by an approved Macquarie Business Banking panel valuer. Valuation will be paid for by Macquarie.	
Equity release	Yes, subject to credit approval and provided the predominant purpose remains property investment	

¹ Investors in residential property must not be 'retail'. A 'retail' borrower includes an investor in residential property that is an individual regulated under the NCCP or is a company that is not a trading business or has less than 4 residential properties.

Industry policy guidelines



ACCOUNTING AND FINANCIAL PLANNING

Initial due diligence information All industries require company financials, an application form and personal information forms for the directors/partners	Accounting: <ul style="list-style-type: none"> Split of revenue streams by business type and by corporate clients versus personal clients. Top 20 clients by revenue. Financial Planning: <ul style="list-style-type: none"> Split of revenue streams by both investment and risk upfront/recurring income and grandfathered commissions. Details of AFSL (Licensee holder). Note: For lending to Authorised Representatives 'AR' of a Dealer Group, please contact your Macquarie Commercial Broker BDM to confirm the Dealer Group is accredited with Macquarie for lending to be provided to that AR.
Qualifying criteria Other criteria may apply	<ul style="list-style-type: none"> Minimum of two qualified financial advisers/accountants within the business Minimum recurring revenue of \$1.5m
Maximum LVR	Up to 3.75x EBITDA ¹
Interest only (IO) terms	Available for entire loan term where LVR is 2.5X EBITDA ¹ or less
Valuation MBL internal valuation completed	Based on a recurring fee revenue and/or multiple of EBITDA ¹
Target Loan Size	Loan sizes are dependent on a number of factors, but our target loan size is typically \$1 million and above.

¹ This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

Industry policy guidelines



REAL ESTATE



STRATA

Initial due diligence information All industries require company financials, an application form and personal information forms for the directors/partners	Split of revenue streams by sales commissions, property management commissions and other. Rent roll statistics from property management software.	Split of revenue streams by base management fees, insurance and other. The number of lots and buildings under management from strata management software.
Qualifying criteria Other criteria may apply	<ul style="list-style-type: none"> Trust account audit with no adverse findings Able to demonstrate servicing based on decline in variable revenue streams 	No more than 10% revenue attributable to one building.
Maximum LVR	Up to a maximum of 70% of rent roll value determined by internal Macquarie multiplier (no cost to client) and must amortise to 60% within 3 years .	<ul style="list-style-type: none"> Where lots under management <5,000 and all WA based Strata Managers, up to a maximum of 70% of strata roll value. Where lots under management ≥5,000 excluding all WA based Strata Managers, up to 4.5x EBITDA¹ Business Valuations determined by internal Macquarie multiplier (no cost to client).
Interest only (IO) terms	Available for entire loan term where ≤ 60% LVR.	Available for entire loan term up to maximum LVR.
Valuation MBL internal valuation completed	The valuation is based on a multiple of recurring property management fees, subject to location and characteristics of the property management portfolio.	Strata roll value based on recurring base contracted management fees dependent on location and/or multiple of EBITDA ¹ .
Target Loan Size	Loan sizes are dependent on a number of factors, but our target loan size is typically \$1 million and above.	

¹ This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

Built Environment policy guidelines

Built Environment includes Engineers, Architects, Planners, Surveyors, associated service providers in Built Environment.



BUILT ENVIRONMENT

Initial due diligence information All industries require company financials, an application form and personal information forms for the directors/partners	Aged debtors and breakdown of income by discipline (if appropriate). Top 10 clients by revenue. Forward order book/pipeline.
Maximum LVR	Up to 2.0x EBITDA¹ subject to business turnover.
Interest only (IO) terms	Available for up to 2 years . Longer terms may be considered.
Valuation MBL internal valuation completed	Based on recurring fee revenue and/or multiple of EBITDA ¹ .
Target Loan Size	Loan sizes are dependent on a number of factors, but our target loan size is typically \$1 million and above.

¹ This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

Legal policy guidelines



LEGAL

Initial due diligence information All industries require company financials, an application form and personal information forms for the directors/partners	Split of revenue by area of practice and by each partner. Aged debtors and Work-in-Progress from practice management software.
Target Client Characteristics Other criteria may apply	Preference for 2 or more partners (property security will be required for sole practitioners).
Maximum LVR	Up to 2.5x EBITDA¹ (capped at \$1m per partner for 2 partner firms and \$2m per partner for 3+ partner firms)
Interest only (IO) terms	Available for entire loan term where LVR is 1.5x EBITDA ¹ or less
Valuation MBL internal valuation completed	Based on stabilised earnings and/or partners' positions.
Target Loan Size	Loan sizes are dependent on a number of factors, but our target loan size is typically \$1 million and above.

¹ This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

Technology policy guidelines

Technology comprises two sub-sectors:

- **IT Services and Consulting businesses** – typically perform consulting, software development, systems integration, as well as hardware deployment and support (additional details and examples provided in the table on page 11).
- **Software (SaaS)** – includes companies that create, sell, maintain and host business software as a service (e.g. Xero, MYOB).



IT SERVICES AND CONSULTING BUSINESSES



SOFTWARE (SAAS)

Initial due diligence information All industries require company financials, an application form and personal information forms for the directors/partners	Split of revenue streams by product or service type. Top 10 clients by revenue.	Split of revenue streams by product or service type. Top 10 clients by revenue.
Target client characteristics Other criteria may apply	<ul style="list-style-type: none"> • Typically, revenue of >\$3m 	<ul style="list-style-type: none"> • Typically, revenue of >\$3m
Maximum LVR	<ul style="list-style-type: none"> • When revenue \geq \$30m, maximum lending of 3x EBITDA¹ • When revenue $<$ \$30m, maximum lending of 2x EBITDA¹ 	<ul style="list-style-type: none"> • Maximum lending of 3x EBITDA¹
Interest only (IO) terms	Available for up to 2 years. Longer terms may be considered	Available for up to 2 years. Longer terms may be considered
Valuation MBL internal valuation completed	Based on multiple of EBITDA¹ .	Based on multiple of EBITDA¹ .
Target Loan Size	Loan sizes are dependent on a number of factors, but our target loan size is typically \$1 million and above	

¹ This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

Additional details on IT Services and Consulting businesses

TYPICAL SERVICE TYPE	DESCRIPTION
Managed hosting and infrastructure services	IT service provider that leases dedicated servers and associated hardware to a single customer and manages those systems on the customer's behalf.
Managed IT end-user compute (EUC) services	EUC services refer to the technologies that IT service providers use to deploy, manage and secure the devices, applications and data that employees, contractors require to perform their jobs.
Business telephony and conferencing (BT&C) services	BT&C services is the development, application, and deployment of telecommunication services for the purpose of electronic transmission of voice or data, between parties.
Managed security services	Managed security service providers provide outsourced monitoring and management of security devices and systems. Common services include managed firewall, intrusion detection, virtual private network, vulnerability scanning and anti-viral services.
Integrated hardware/software provider	Provides hardware as part of an upfront establishment process to host software (which supports a core business capability) which is billed on an ongoing basis, i.e. recurrent revenue.
Professional services	A range of pre-paid or time-bound (project driven) services usually in support of other services set out above.
Other services	Ranging from product integration/customisation, data and analytics, software testing, cloud migration etc.

Industry policy guidelines



INSURANCE BROKING

Initial due diligence information All industries require company financials, an application form and personal information forms for the directors/partners	Split of revenue streams by fee and commission, premium funding and other. Top 10 clients by revenue. Gross written premium split by policy class and underwriter from insurance broking software. A copy of the latest trust account audit.
Target client characteristics Other criteria may apply	<ul style="list-style-type: none"> • Minimum recurring revenue \$500k • Preference for 2 or more directors (key person risk to be assessed for 1 director).
Maximum LVR	<ul style="list-style-type: none"> • For recurring revenue ≤\$1m, up to 60% of asset value determined by internal Macquarie multiplier and amortising • For recurring revenue >\$1m, up to 4x EBITDA¹ amortising
Interest only (IO) terms	<ul style="list-style-type: none"> • May be considered for recurring revenue >\$1m, for entire loan term where LVR is 3X EBITDA¹ or less.
Valuation MBL internal valuation completed	Based on multiple of commission recurring revenue and/or multiple of EBITDA ¹ .
Target Loan Size	Loan sizes are dependent on a number of factors, but our target loan size is typically \$1 million and above.

¹ This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

Healthcare policy guidelines



Healthcare

Modalities	<ul style="list-style-type: none"> Medical specialists, surgeons, GP centric medical centres, diagnostic business, day hospitals, veterinary clinics, and dental services.
Target client characteristics	<ul style="list-style-type: none"> Minimum commercial debt of \$1m Minimum revenue of \$2.5m Large clinic, or multi-site medical practices in metropolitan locations.
Maximum LVR and term	<ul style="list-style-type: none"> General Practice Medical Services, Diagnostic Services, Day Hospitals: <ul style="list-style-type: none"> Up to 3.5x EBITDA¹ or 70% of external valuation Vet and Dental: <ul style="list-style-type: none"> Up to 3x EBITDA¹ or 70% of external valuation
Interest only (IO) terms	<ul style="list-style-type: none"> Available for entire loan term where LVR is 1.5x EBITDA¹ or less; or Available for two years at maximum LVR.
Initial due diligence information All industries require company financials and an Application form for the directors/partners	<ul style="list-style-type: none"> Financial reporting to include split of revenue by practice type Standard licenses/accreditation
Security	<ul style="list-style-type: none"> General security agreement (GSA) Personal guarantees Service entity guarantees, if applicable If required: <ul style="list-style-type: none"> Third party guarantees Mortgage over leases, or right of entry or equivalent tripartite
Commercial Property: Maximum LVR	<ul style="list-style-type: none"> Up to 80% LVR for commercial owner-occupied property. Interest only terms also available. Please see property section for more details Additional lending of up to \$1 million for medical specialists or surgeons. This is based on net taxable income from personal exertion, and is available on top of the standard 80% LVR ^{2,3,4} Additional lending of up to \$250,000 for general practitioners. This is based on net taxable income from personal exertion, and is available on top of the standard 80% LVR ^{2,3}

¹ This is a guide only. EBITDA can be adjusted for items such as principal salaries, exceptional items and other factors based on individual borrower circumstances.

² Earned via their own practice (i.e. not including business profits, dividends or rental income).

³ Income sensitised and assessed on stabilized net taxable income.

⁴ Capped at \$500k where the purchased asset is not held as security with the bank.

Product key features

Products offered across industry

	FULLY DRAWN ADVANCE	MACQUARIE PROPERTY VERSATILE	COMMONE
	Financing solution for investment and business growth	Flexible residentially secured loans for business purposes ¹	Loan product targeted at business clients to purchase commercial property
Max. loan term	5 years ²	30 years	5 years
Borrowers	Individual, Company, Partnership, Trust	Individual, Company, Partnership, Trust	Company, Partnership, Trust
Security	Property, Business assets	Residential Property	Commercial Property
Max. LVR³	Residential Property up to 80% Commercial Property up to 70% Business assets LVR vary by Industry	Up to 80%	Up to 70%
Principal and interest⁴	⊗	✓	⊗
Principal + interest⁵	✓	✓	✓
Interest only⁶	✓	✓	✓
Interest capitalisation	⊗	⊗	⊗
FEATURES			
Global facility limit⁷	⊗	⊗	⊗
Redraw	⊗	✓	✓
Offset account	⊗	⊗	⊗
Sub-accounts⁸	✓	✓	✓
FEES & CHARGES⁹			
Establishment fee	Individual: \$1,000 Corporate Borrowers: ≤\$3m up to 0.50% of limit >\$3m available (and negotiable) on application	Individual: \$1,000 Corporate Borrowers: ≤\$3m up to 0.50% of limit >\$3m available (and negotiable) on application	≤\$3m up to 0.50% of limit >\$3m available (and negotiable) on application
Line fee	⊗	⊗	⊗
Ongoing fees	⊗	⊗	⊗

¹ From August 2024 retail home loan transactions are originated via Apply Online in our Personal Banking division. Please see your BDM for further information

² Term can be extended up to 10 years subject to loan purpose, security and borrower type.

³ Dependent on location and value of Security. Loans to medical professionals with a fellowship from an Australian Medical College or healthcare businesses meeting our Health Goodwill Guidelines can receive up to an additional 10% LVR if the lending is against the commercial owner-occupied property or residential property (excluding 'retail' borrower investments. A 'retail' borrower includes an investor in residential property that is an individual regulated under NCCP or is a company that is not a trading business or has less than 4 properties). Lending criteria apply. For Business Assets 'Dependent on amortisation and asset profile'. Subject to lending criteria.

⁴ Fixed regular payments that cover both principal and interest

⁵ Repayments made up of a set principal repayment amount plus interest accrued eg. Monthly repayment of \$2,000 off the principal plus interest accrued for that month.

⁶ Maximum Interest Only loan term of 5 years, subject to credit approval.

⁷ Feature closed to new business in March 2023.

⁸ All sub-accounts are required to be on the same interest rate and repayment type. All sub-accounts must have the same loan purpose as the overarching facility.

⁹ Fees are current at time of publication of this guide and subject to change. Registration, Government Transaction charges & third party fees may apply. Your BDM can provide further details

This document is current as at May 2025. Updates to this document will be available at macquarie.com.au/brokers/commercial-brokers.

Product key features

Products offered across industry

	REVOLVING LINE OF CREDIT	BUSINESS OVERDRAFT ¹
	Redrawable short to medium term working capital for business activities	Short-term finance for business expenses
Max. loan term	5 years	On demand
Borrowers	Company, Partnership, Trust	Company, Partnership, Trust
Security²	Property, Business assets	Property, Business assets
Max. LVR³	Residential Property up to 80% Commercial Property up to 70% Business assets LVR vary by Industry	Residential Property up to 80% Commercial Property up to 70% Business assets LVR vary by Industry
Principal and interest	⊗	⊗
Principal + interest⁴	⊙	⊗
Interest only⁵	⊙	⊗
Interest capitalisation⁶	⊗	⊙
FEATURES		
Global facility limit⁷	⊗	⊗
Redraw	⊙	⊙
Offset account	⊗	⊗
Sub-accounts⁸	⊙	⊗
FEES & CHARGES⁹		
Establishment fee	≤\$3m up to 0.50% of limit >\$3m available (and negotiable) on application	≤\$3m up to 0.50% of limit >\$3m available (and negotiable) on application
Line fee or unused limit fee	Line fees or unused limit fees may apply and are available on application	Line fees or unused limit fees may apply and are available on application
Ongoing fees	⊗	Ongoing fees and other fees may be applicable to the Business Transaction Account to which the overdraft feature is added

1 Not provided on a standalone basis, only available in addition to Business Transaction Account and other products. Interest is charged on the drawn balance. Borrower can repay the principal and interest in part or in full at any time.

2 Business Assets include rent roll, strata roll, goodwill, debtors and WIP.

3 Dependent on location and value of Security. Loans to medical professionals with a fellowship from an Australian Medical College or healthcare businesses meeting our Health Goodwill Guidelines can receive up to an additional 10% LVR if the lending is against the commercial owner-occupied property or residential property (excluding 'retail' borrower investments. A 'retail' borrower includes an investor in residential property that is an individual regulated under NCCP or is a company that is not a trading business or has less than 4 properties). Lending criteria apply. For Business Assets 'Dependent on amortisation and asset profile'. Subject to lending criteria.

4 Repayments made up of a set principal repayment amount plus interest accrued eg. Monthly repayment of \$2,000 off the principal plus interest accrued for that month.

5 Maximum Interest Only loan term of 5 years, subject to credit approval.

6 Up to the limit of the business overdraft.

7 Feature closed to new business in March 2023.

8 All sub-accounts are required to be on the same interest rate and repayment type. All sub-accounts must have the same loan purpose as the overarching facility.

9 Fees are current at time of publication of this guide and subject to change. Please refer to the deposit account terms and conditions in the case of an Overdraft, on our website.

macquarie.com.au/brokers/commercial-brokers

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