

Commercial Update

18 February 2016

INTEREST RATES ARE CHANGING

ING DIRECT will be changing the variable interest rate for new loan applications received from 19 February 2016 for the following tiers:

Commercial Variable Rate Loans	Interest Rate (p.a.)	Comparison Rate (p.a.)	Change
Aggregate Borrowings <\$500k	5.29%	5.36%	+ 0.06% p.a.
Aggregate Borrowings \$1million < \$2million	4.89%	4.96%	- 0.14% p.a.

It's important to highlight that for existing pipeline applications, we will apply the lower of the two variable interest rates at the time of formal approval. Where any approval expires and requires re-assessment, the interest rate current at that time will apply. Please note, this change will not impact any existing ING DIRECT commercial loans.

COMMERCIAL IS THE NEW BLACK!

With so much focus on commercial lending recently, we wanted to remind you about some of the recent improvements we've made to our commercial offering, in case you missed them. Plus, there are more to come this year, so stay tuned.

What's new?	What does it mean for you?
\$2million interest rate tier	Your customers can take advantage of a competitive interest rate for loan applications of \$2 million or more. Currently the variable rate for this tier is 4.75% p.a. (comparison rate 4.82% p.a.)
Improvements to credit guidelines	<ul style="list-style-type: none"> ✓ The maximum interest only LVRs have increased to: <ul style="list-style-type: none"> • 75% for metropolitan locations • 70% for regional areas. ✓ You can now apply for a loan term of up to 20 years ✓ We have expanded our lending locations for metro and regional areas.
Commercial Discussion Paper (CDP)	<p>Would you like to know if we can facilitate an application? Why not submit a CDP (Expression of Interest) first? Our Credit Team will respond to you within 48 hours.</p> <p>Download a copy of our Commercial Discussion Paper from our website or submit your own version. If you need assistance with your submission, you can access our commercial coaching team by speaking to your Business Development Manager.</p>

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Upfront valuations	Avoid delays and order an upfront valuation on the security property. Ordering a valuation upfront helps you to identify any unexpected property issues early. Download the Upfront Valuation Request form from our website .
Our team is here to support you	A dedicated commercial coaching team to help you workshop deals. To access our commercial coaching team speak to your Business Development Manager.

If you would like to know more about our commercial offering, call your ING DIRECT representative today. We would love to hear from you.

INDICATIVE PRIORITY COMMERCIAL MORTGAGE INTEREST RATES

Rates are indicative only and subject to change without notice. Indicative interest rates are also available on the Introducer website at introducer.ingdirect.com.au. Simply select 'Commercial Mortgages' and 'Interest Rates'. Commercial fixed rates may change daily. The fixed rate that will apply will be the fixed rate applicable on the settlement date.

Commercial interest rates (effective as at 18 February 2016)

COMMERCIAL VARIABLE RATE LOANS	Interest Rate (p.a.)	Comparison Rate (p.a.)
Aggregate Borrowings <\$500k	5.29%	5.36%
Aggregate Borrowings \$500k to < \$750k	5.18%	5.25%
Aggregate Borrowings \$750k to < \$1 million	5.08%	5.15%
Aggregate Borrowings \$1 million < \$2 million	4.89%	4.96%
Aggregate Borrowings \$2 million+	4.75%	4.82%
COMMERCIAL FIXED RATE LOANS	Interest Rate (p.a.)	Comparison Rate (p.a.)
Commercial 1 Year Fixed Rate	5.05%	5.34%
Commercial 2 Year Fixed Rate	5.00%	5.31%
Commercial 3 Year Fixed Rate	4.87%	5.25%
Commercial 4 Year Fixed Rate	5.23%	5.34%
Commercial 5 Year Fixed Rate	5.34%	5.38%

For the curious: ING DIRECT will consider applications above \$5.0 million on a case-by-case basis. The interest rate on these applications will be determined through your Business Development Manager. The above interest rates apply to Priority Commercial Mortgages for new business. Rates are reviewed and may change at any time without prior notice. The interest rate will be set on the settlement date for all loans, including fixed rate loans. All interest rates quoted above are indicative only. The comparison rates are based on a loan amount of \$150,000 over a loan term of 25 years. **WARNING:** The comparison rates are only for the examples given and may not include all fees and charges. Different terms, fees or other loan amounts might result in different comparison rates. Aggregate borrowing refers to total commercial ING DIRECT borrowings. All applications for credit are subject to ING DIRECT's credit approval criteria. **WARNING:** If you select a fixed rate loan, break costs may be payable if at any time before the fixed term expires, you pay out your loan or you make additional payments, or you ask us to change your loan type or fixed interest period. Break costs may be substantial. Any advice in this email does not take into account your, or your clients' objectives, financial situation or needs, and you should consider whether it is appropriate for you, or your clients. Before making any decision in relation to our loan products you should read the relevant Terms and Conditions booklet and Fees and Limits Schedule. ING DIRECT reserves the right to amend the published rates and the terms and conditions applying to its products and services at any time without prior notice. Further information regarding interest rates, fees, terms & conditions is available from your Business Development Manager. You received this email as you provided ING DIRECT with your email address. However, if you do not wish to receive further email communications from ING DIRECT please send an email to marketing@marketing.ingdirect.com.au with "Unsubscribe" in the subject line or call 1300 656 226. Products are issued by ING DIRECT, a division of ING Bank (Australia) Limited ABN 24 000 893 292, AFSL 229823 and Australian Credit Licence 229823.