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Investor couple looking to refinance and consolidate a tax debt

Using Retro Versa for self-employed borrowers with 14 months' trading history.



Let's take a closer look at the loan:

LVR
80%

Loan amount
$750,000

Loan purpose
Refinance and debt consolidation (investment)

Loan term
30 years

Scenario

Jason and Simone are a married couple, both self-employed through a family business they established 14 months ago. The business has grown rapidly, leaving them with a tax liability at the end of the financial year. Both worked in PAYG roles in the same industry before starting the business. They own their home outright and have held an investment property for a couple of years.

They wanted to refinance and consolidate their tax liability, keep their investment debt on interest-only repayments and secure a competitive rate. Their challenge was finding a lender that would accept income from a business with only 14 months' trading history.

Solution

We assessed Jason and Simone's application using Retro Versa, which:

- Accepts self-employed income from the most recent tax return and financials, where the ABN has been held for at least 12 months and the applicants have industry history and a previous PAYG role in the same industry.
- Allows unlimited debt consolidation, including tax liabilities, up to 90% LVR.
- Offers interest-only repayments for up to 10 years on investment loans up to 80% LVR, with pricing based on loan amount and LVR.
- Applies rental shading of only 10%, together with negative gearing benefits, to maximise serviceability.

Outcome

Jason and Simone refinanced and consolidated their tax liability, with their investment debt on interest-only repayments, without waiting for a second year of business financials.

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