

SAFA STRUCTURED LOANS

THE PRODUCT

SAFA can structure a loan to suit individual client needs using a combination of SAFA's standard loan products.

Structured loans are typically longer term loans, and may involve a combination of fixed and floating rates, for example a 10 year loan may be calculated on a floating rate interest only basis for the first 4 years and then convert to a fixed rate credit foncier for the remaining 6 years.

SAFA also offers low start loans where repayments are reduced at the beginning of the loan and accelerate through the life of the loan at a pre-determined growth rate.

SAFA can also structure index linked loans, for example a loan where the repayment is linked to the Consumer Price Index.

SUITABILITY

Structured loans are suited to clients who have particular requirements for funds that can not be satisfied by SAFA's standard loan product range. This is often the case where the funds are required for a project that may have erratic cash flows.

DRAWDOWNS

Advice of the drawdown of a new loan must be communicated to SAFA at least 3 business days before the funds are required.

INTEREST MARGINS

A margin will be added to the interest rate applicable to the loan. The margin will vary according to the maturity of the loan, but is typically around 0.25% pa for structured transactions.

CALCULATION AND PAYMENT OF INTEREST

Interest is calculated on the principal outstanding. The method of calculation and frequency of payment of interest will vary according to the structure of the loan that is agreed between SAFA and the client.

EARLY REPAYMENT

The early repayment of a structured loan will be calculated with regard to prevailing market rates, and may result in a break cost to the client.

Alternative arrangements for early repayment may be agreed between SAFA and the client and included in any executed loan agreements.

An early repayment usually requires 3 business days notice.

**To negotiate a structured loan, call SAFA's Client Service Team on
(08) 8226 9441**



**Government of
South Australia**

SAFA
South Australian Government
Financing Authority