



FUZION CAPITAL

SECURING YOUR TOMORROW

DEVELOPMENT FINANCE JARGON

Subordinate	Subordinate Debt	Used to describe the ranking of a debt holder when they are positioned behind another in preference
Senior	Senior Debt	Described as the 1 st Ranking Mortgage Holder
Mezz	Mezzanine Funding	Additional Debt secured as a 2 nd Mortgage behind the 1 st Mortgage Holder
Pref Equity	Preferential Equity	Acts like a 2 nd Mortgage only this is unregistered & would be subordinate to Senior & Mezz Funding
TDC LVR	Loan to Value Ratio based on Total Development Costs	Gross Loan Amount divided by Total Development Costs
GRV or Completion LVR	Loan to Value Ratio based on Gross Realisation Value	Gross Loan Amount divided by Gross Realisation Value
Residual LVR	Loan to Value Ratio based on residual debt on completion	Total remaining residual debt after settlement of all presales (Less GST) divided by the value of the remaining unsold stock.