

# Bridging finance

Residential purchase products – Designed for property investors looking to acquire residential investment property.

		Residential Purchases <£50,000	Residential Purchases <£100,000	Residential Purchases ≥£100,000
		Standard 12m	Standard 12m	Standard 12m
Plan name		BR: PP	BR: PP	BR:PP
Loan amounts		£26,000 - ≤£49,999	£50,000 - ≤£99,999	£100,000 - ≤£499,999 (to 75%) £500,000 - ≤£2m (to 65%, greater by referral)
Nominal rate	≤50% LTV	1.00%	0.59%	0.49%
	≤55% LTV		0.69%	0.59%
	≤60% LTV		0.74%	0.64%
	≤70% LTV		0.84%	0.74%
	≤75% LTV		0.94%	0.84%
Non-prime lending	≤2 Demerits	Add 0.15% to rate (min 0.99%). Max 70% LTV		
	≤4 Demerits	Add 0.20% to rate (min 1.15%). Max 65% LTV		
	>4 Demerits	Add 0.25% to rate (min 1.25%). Max 55% LTV		
Arrangement fee	2% (min £800)			
Title Insurance	Tiered from £100			
Lender's legal fees	Not charged for auction purchases ≤£500,000. Non-auction purchases from £600			
Exit fees	1 month	None	None	None

## Bridging Finance – 6 month discount product

Plan name	R6:PPR6LR	R6:PPR6LR
Loan amounts	£30,000 - £250,000	£250,001 - £500,000
Nominal rate	0.49% for first 6 months before reverting to 1.24% from month 7	
Maximum LTV	75%	70% (greater by referral)
Arrangement fee	2%	
Title Insurance	Tiered from £100	
Lender's legal fees	Not charged for auction purchases ≤£500,000. Non-auction purchases from £600	
Exit fees	2%	

Properties
<ul style="list-style-type: none"> <li>Residential investment property (inc BTL) in England, Scotland and Wales</li> <li>Minimum valuation £50,000 (lower by referral)</li> <li>Maximum valuation of £1m (greater by referral)</li> <li>Unmortgageable and non-standard property accepted by referral</li> </ul>

Applicants
<ul style="list-style-type: none"> <li>Many status profiles considered</li> <li>Wide variety of income sources accepted</li> <li>Expat &amp; applicants without permanent rights to reside in the UK accepted</li> <li>Max age at end of term 80</li> <li>No maximum age on self funded BTL</li> <li>Minimum customer loan £26,000 (lower by referral)</li> </ul>

Loan to values
<ul style="list-style-type: none"> <li>All fees included in LTV</li> <li>LTV based on the lower of purchase price or valuation</li> <li>100% funding accepted with additional security</li> <li>Cross charges accepted</li> <li>Serviced, interest roll-up and payment deduction options available</li> </ul>

Free valuation scheme
Free valuation scheme available for auction purchases up to the following gross loan amounts: <ul style="list-style-type: none"> <li>£150,000 to max 70% LTV</li> <li>£250,000 to max 60% LTV</li> <li>£500,000 to max 50% LTV</li> </ul> Above is acceptable on non-auction purchases where the confidence level is >4
Drive by valuation bypass for purchases up to the following gross loan amounts where the confidence level is 0 - 4 <ul style="list-style-type: none"> <li>£100,000 to max 70% LTV</li> <li>£150,000 to max 60% LTV</li> </ul>

Refurbishment Finance
If a property needs refurbishment, then your client may be eligible to apply for additional funding allowing the costs of refurbishment works to be further advanced (once the works have completed) and used for the next investment opportunity
<ul style="list-style-type: none"> <li>Property is purchased using our standard bridging finance</li> <li>Light refurbishment is completed, this might include replacement of kitchens/bathrooms or internal re-configuration but not work requiring planning permission or structural changes</li> <li>Once refurbishment is carried out, a further advance may be available subject to a full valuation.</li> <li>Must be applied for and funded within 6 months of the initial funding</li> </ul>

# Bridging finance - refinance options



**Residential refinance products** – Designed for customers wishing to remortgage existing finance or release capital from existing residential investment property.

		Residential refinance <£50,000	Residential Refinance £50,000 to <£100,000		Residential Refinance ≥£100,000	
		Standard 12m	First 6 months discounted (12m term)*	Standard 12m	Standard 12m	Standard 12m
Plan name		BR: PR	BR: PRR6	BR: PR	BR: PR	BR: PR
Loan amounts		£26,000 - ≤£49,999	£50,000 - ≤£99,999	£50,000 - ≤£99,999	£100,000 - ≤£149,999	£150,000- ≤£499,999 (to 70%) £500,000- ≤£2m (to 60%, greater by referral)
Nominal rate	≤50% LTV	1.25%	0.75%* for first 6 months before reverting to 1.5% from month 7	0.95%	0.85%	0.75%
	≤60% LTV			1.05%	0.95%	0.85%
	≤70% LTV			1.15%	1.05%	0.95%
Second charge lending		Add 0.25% to rate. Max 65% LTV				
Non-prime lending	≤2 Demerits	Add 0.15% to rate (min 1.05%). Max 65% LTV				
	≤4 Demerits	Add 0.20% to rate (min 1.15%). Max 60% LTV				
	>4 Demerits	Add 0.25% to rate (min 1.25%). Max 50% LTV				
Arrangement fee		2% (min £800)				
Title Insurance		Tiered from £100				
Lender's legal fees		From £600				
Exit fees		1 month	2%	1 month	None	None

\*Min rate does not apply for 6m discount product where the case in non-prime. Use stated rate increase only. Reversionary rate will add 0.75% to the discount rate.

Properties	Applicants	Loan to values	Valuations
<ul style="list-style-type: none"> <li>Residential investment property (inc BTL) in England, Scotland and Wales</li> <li>Minimum valuation £50,000 (lower by referral)</li> <li>Maximum valuation of £1m (greater by referral)</li> <li>Unmortgageable and non-standard property accepted by referral</li> </ul>	<ul style="list-style-type: none"> <li>Many status profiles considered</li> <li>Wide variety of income sources accepted</li> <li>Expat &amp; applicants without permanent rights to reside in the UK accepted</li> <li>Max age at end of term 80</li> <li>No maximum age on self funded BTL</li> <li>Minimum customer loan £26,000 (lower by referral)</li> </ul>	<ul style="list-style-type: none"> <li>All fees included in LTV</li> <li>LTV based on Open Market Value</li> <li>100% funding accepted with additional security</li> <li>Cross charges accepted</li> <li>Serviced, interest roll-up and payment deduction options available</li> </ul>	<p>Drive by valuation bypass available up to the following gross loan amounts:</p> <ul style="list-style-type: none"> <li>£100,000 to max 70% LTV</li> </ul>

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**Semi-commercial, commercial and land products** – Designed for customers wishing to purchase or refinance semi-commercial or commercial property or land.

		Semi-commercial property lending		Commercial property lending		Land	
		< £50,000	≥ £50,000	< £50,000	≥ £50,000	< £50,000	≥ £50,000
Plan name		BS: P1C	BS: P1C	BR: PC1C	BR: PC1C	BR: PL	BR: PL
Loan amounts		£26,000 - ≤£49,999	£50,000 - ≤£500,000 (greater by referral)	£26,000 - ≤£49,999	£50,000 - ≤£500,000 (greater by referral)	£26,000 - ≤£49,999	£50,000 - ≤£500,000 (greater by referral)
Nominal rate	≤50% LTV	1.00%	0.95%	1.25%	0.85%	1.25%	1.25%
	≤55% LTV		1.00%		0.90%	By referral	By referral
	≤60% LTV		1.05%		0.95%		
	≤65% LTV						
	≤70% LTV*						
Second charge lending		Add 0.25% to rate. Max 55% LTV					
Non-prime lending	≤2 Demerits	Add 0.15% to rate (min 1.05%). Max 60% LTV (50% LTV for Land)					
	≤4 Demerits	Add 0.20% to rate (min 1.15%). Max 55% LTV (50% LTV for Land)					
	>4 Demerits	Add 0.25% to rate (min 1.25%). Max 50% LTV (50% LTV for Land)					
Arrangement fee		2% (min £995)					
Title Insurance		Tiered from £100					
Lender's legal fees		From £600					
Exit fees		1 month		1 month	None		1 month

\*Maximum 65% LTV for non-purchase loans

Properties	Applicants	Loan to values	Valuations
<ul style="list-style-type: none"> <li>Semi commercial property defined as &lt;40% commercial usage with no immediate family residential occupancy</li> <li>Commercial property defined as ≥40% commercial usage with no immediate family residential occupancy</li> <li>Wide variety of property considered in England, Wales and Scotland. See overleaf for details</li> <li>Land may be accepted with or without planning permission</li> </ul>	<ul style="list-style-type: none"> <li>Many status profiles considered</li> <li>Wide variety of income sources accepted</li> <li>Expat &amp; applicants without permanent rights to reside in the UK accepted by referral</li> <li>Max age at end of term 80</li> <li>No maximum age on self funded BTL</li> <li>Minimum customer loan £26,000 (lower by referral)</li> </ul>	<p>Bases of Valuation</p> <ul style="list-style-type: none"> <li>Market Value</li> <li>Market Value with the assumption of vacant possession</li> <li>Market Value with the assumption of vacant possession, and the special assumption of a 90 day period in which to exchange contracts</li> <li>Market Rent</li> <li>Maximum LTVs based upon MV VP 90 Day / MV VP (or equivalent), or purchase price in some instances, dependant upon the overall merits of the case</li> <li>Valuations are valid for a maximum of 2 months, after which additional due diligence will be required</li> <li>MV VP 180 Day may be considered, dependant upon the merits of the case, e.g. security, status, LTV etc.</li> <li>Cross charges acceptable</li> <li>Serviced, interest roll-up and payment deduction options acceptable.</li> </ul>	<p>Drive by valuation bypass available for semi-commercial and commercial property up to the following gross loan amounts:</p> <ul style="list-style-type: none"> <li>£150,000 to max 55% LTV</li> </ul>

## Applicants

### Many status profiles considered:

- Employed, self-employed, limited companies, LLPs, sole traders and partnerships
- Wide variety of income sources accepted
- Expat & applicants without permanent rights to reside in the UK accepted

**Personal guarantees** will be required in cases where the case is for a corporate entity (e.g. limited company, LLP, Pension Fund etc) and not an individual

**Maximum Age:** The loan should end on or before the client's 80th birthday. Proof of the applicants lending into retirement explanation may be required. There is no maximum age restriction for Buy to Let borrowers where employed or self-employed income is not required to evidence affordability.

## Property types

Most property structures accepted including land, with or without planning permission, and developments in England, Scotland and Wales.

### Residential property:

- Minimum of 50 years + term of loan for leasehold properties
- Standard Construction houses and bungalows including ex-council. Flats and maisonettes (up to a maximum of 6 floors), ex-council flats and maisonettes (up to a maximum of 4 floors) and purpose built apartments (not ex-council)
- Unmortgageable and non-standard property accepted by referral.

### Semi-commercial and commercial property:

- Buy to Let Portfolios, Commercial Investment Property (leased/industrial / manufacturing/ wholesale/office units), Equestrian Centres and House Hotels, Bed and Breakfasts, Land, Leisure Premises, Licensed Premises (wine bars/social/political clubs), Lock-up Garages, Residential/Multi-let, Residential Care/ Day Care/Nursing Homes, Restaurants Retail Units, Warehouse / Light Industrial Units, Working Farms & Farmhouses
- Considered on merit - Petrol stations, property portfolios, vacant investment properties, amusement parks, golf courses, private clubs, discotheques and night clubs.
- Not accepted - Chemical works, contaminated properties, mobile homes, sports clubs, property owned by charities, casinos and waste transfer sites

### Land:

- Land may be accepted with or without planning permission.

## Credit profile & demerits

### Demerit calculations

Product selection is based on demerits defined as a CCJ, default or arrears:

### Individual CCJs and defaults:

- Ignore – all  $\leq$  £300 or satisfied  $\leq$  £3,000
- 1 demerit – unsatisfied £300 - £10,000; satisfied in last 12 month  $>$  £3,000
- Refer – unsatisfied  $>$  £10,000

**Secured arrears:** Demerit points are defined as the highest number of arrears in the last 12 months on all first and second charge mortgages for the applicant(s)

**Satisfactory explanations** are required for arrears, defaults, CCJs and rent arrears

**Bankruptcy, IVA, CVA:** May be possible to clear by underwriter referral

## Property types

**Broker fees:** May be charged on all plans and must have been agreed with the client

### Title insurance & Lender's legal costs:

Loan Amount	Title Insurance	Lender's legal costs
£0.00 - £50,000.00	£100	0.3% of Net loan, minimum £600 (inclusive of VAT)
£50,000.01 - £100,000.00	£100	
£100,000.01 - £200,000.00	£100	
£200,000.01 - £300,000.00	£325	
£300,000.01 - £400,000.00	£435	
£400,000.01 - £500,000.00	£525	
£500,000.01 - £600,000.00	£625	
£600,000.01 - £700,000.00	£725	
£700,000.01 - £800,000.00	£825	
£800,000.01 - £900,000.00	£950	
£900,000.01 - £1,000,000.00	£1,200	On difficult, unusual cases and multiple securities solicitor's costs will be charged depending on the merits of the case
£1,000,000.01 - £5,000,000.00	0.08% of Net Loan Amount + £400.00	
£5,000,000.01 +	0.1% of Net Loan Amount + £400.00	By Referral

The client will need to arrange and pay for their own independent legal representation, as well as the lender's legal costs if: the transaction is a purchase, there is a transfer of equity, the property is not in England or Wales, the case is for a corporate entity and not an individual or the loan amount is  $>$  £150,000.

**Telegraphic Transfer Fee:** £30

**Renewal fees:** At the end of the term, the loan may be renewed by approval with a 5% renewal fee being incurred.