

Bridging Finance product guide



Residential bridging

Loan purpose

- Auction/acquisition purchase
- Refinance
- Capital raise
- Securing planning permission
- Short-term business cash flow
- Light and medium refurbishment
- Development exit
- Mortgage delays
- Buy to let portfolios
- Below market value purchases considered (up to 90% of purchase price)

Fast track process

- ✓ Term sheet within four hours
- ✓ Automated valuation models (AVMs)/ desktop valuations
- ✓ Electronic KYC
- ✓ Title & indemnity insurances
- ✓ No personal guarantees for <65% LTV
- ✓ 'Asset first' underwriting approach

Exit strategy	Up to 50%	Up to 60%	Up to 65%	Up to 70%	Up to 75%
Refinance	0.71%	0.74%	0.74%	0.79%	0.84%
Sale	0.79%	0.79%	0.89%	0.95%	0.99%

*Rate shown is per month and is a variable rate inclusive of Bank of England Base Rate. Fixed rate is also available.

Key lending criteria

Borrower type	UK registered limited companies, LLPs, partnerships and sole traders.
Borrower location	England, Scotland and Wales
Loan size	£150,000 to £10 million**
Term	3 to 24 months
Max day 1	75%***
Interest	Retained or serviced
Fees	Arrangement fee: 2% Exit fee: 1% (applies to the sale exit strategy)
Valuations	AVMs and desktop valuations considered on a case by case basis
Insurance	Title insurance and search indemnity applied where possible
Security	Secured by way of First Legal Charge over the Freehold or Long Leasehold Title(s)

**Maximum loan size can be higher on a case by case basis

***100% of purchase price can be achieved by using additional security

Refurbishment (LTV) bridge

Residential & semi-commercial

Light refurbishment

Work examples:

- EPC improvements
- Internal reconfigurations
- Residential to HMO conversions
- Change of use projects
- Small permitted development projects

85% / 80% LTV gross bridge, with post works value (GDV) limited to:

- 75% LTV for residential
- 70% LTV for semi-commercial (residential element to be > 50%)
- Commercial elements valued on a vacant possession basis (VP)
- Works scheduled to be no longer than 12 months
- Competent contractor carrying out works
- No MS/QS reporting

Security type	LTV	Post works (LTV)	Max loan	Rate
Residential	85%	75%	£2m	0.95%
Semi-commercial*	80%	70%	£2m	1.05%

*residential element required to be >50%

Key lending criteria

Borrower type	Experienced property developers, UK registered limited companies, LLPs and partnerships.
Borrower location	England, Scotland and Wales
Loan size	£150,000 to £2 million
Term	3 to 18 months
Interest	Rolled
Fees	Arrangement fee: 2% Exit fee: 1% (if exit is sale)
Insurance	Title insurance and search indemnity applied where possible
Security	Secured by way of First Legal Charge over the Freehold or Long Leasehold Title(s)

Refurbishment (GDV) lending Residential

Light refurbishment

- Works loan limited to 50% of open market value (OMV)
- Energy Performance Certificate (EPC) enhancements such as upgrading electrics, boilers, insulation for walls and floors, new double/triple glazed windows and doors

Medium refurbishment

- Loft conversions
- Reconfigurations
- Single storey extensions
- Commercial to residential schemes

Floor area not to increase by more than 25%, a maximum cost plan 100% of open market value (OMV), and works duration limited to 12 months.

LTV	Up to 70%	Up to 75%
Light Refurbishment	0.95%	1.00%
Medium Refurbishment	1.00%	1.05%

*Rate shown is per month and is a variable rate inclusive of Bank of England Base Rate. Fixed rate is also available.

Key lending criteria

Borrower type	UK registered limited companies, LLPs and partnerships.
Borrower location	England, Scotland and Wales
Loan size	£250,000 to £2 million
Term	3 to 24 months
Max day 1	Up to 75%
Interest	Rolled
Works funded	100%
Maximum Loan to Gross Development Value (LTGDV)	Up to 65%
Fees	Arrangement fee: 2% Exit fee: 1% (based on gross loan rather than gross development value)
Insurance	Title insurance and search indemnity applied where possible
Security	Secured by way of First Legal Charge over the Freehold or Long Leasehold Title(s)

Semi-commercial and commercial bridging

Loan purpose

- Auction/acquisition purchase
- Refinance
- Capital raise
- Rental stabilisation periods
- Securing planning permission
- Short-term business cash flow
- Light and medium refurbishment
- Mortgage delays
- Investment portfolios

Security types

- Mixed use
- Retail
- Office
- Industrial
- Student accommodation
- Garages/showrooms
- Food outlets
- Factories
- Warehouse
- Hotels

LTV - VP (unrestricted)	Up to 60%	Up to 65%	Up to 70%
Semi-commercial property	0.90%	0.95%	0.99%
Commercial property	1.04%	1.08%	1.13%

*Rate shown is per month and is a variable rate inclusive of Bank of England Base Rate. Fixed rate is also available.

Key lending criteria

Borrower type	UK registered limited companies, LLPs and partnerships.
Borrower location	England, Scotland and Wales
Loan size	£150,000 to £10 million**
Term	3 to 24 months
Interest	Retained or serviced
Fees	Arrangement fee: 2% No exit cost or early redemption fees
Insurance	Title insurance and search indemnity applied where possible
Security	Secured by way of First Legal Charge over the Freehold or Long Leasehold Title(s)

**Maximum loan size can be higher on a case by case basis

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