

Progressive bridging finance

Your guide to commercial bridging finance

Core Products & Criteria

Products

3 Month Bridge – From 0.75%

6 Month Bridge – From 0.99%

6 Month No Exit Bridge – From 1.15%

12 - 24 Month Bridge – From 1.25%

12 - 24 Month No Exit Bridge – From 1.25%

Customer Profile

Many status profiles accepted

Wide variety of income sources considered

Many customer types accepted: employed, self-employed, limited companies, LLPs, sole traders, partnerships

Property

Up to 75% LTV available and up to 100% with additional security

OMV / FSV valuations

Available for auction purchases

All products available on a first or second charge basis

Many property types including land

Cross-charge possible

Service

24 hour completions possible

Competitive rates

Instant decisions and same day offers available

Cases outside of criteria cases considered

Commercial Bridging Finance & Short Term Funding

Bridging Finance & Short Term Funding

This criteria matrix is for guideline purposes only. If the case is outside of criteria 'we will always take a view'. Please email the enquiry form, with an out of plan assistance form, along with any other information to the fax number on the form.

	3 Month Low Rate No Exit	6 Month Low Rate	6 Month Low Rate No Exit	12 Month	12 Month No Exit
Monthly Rate	0.75%	0.99%	1.15%	1.25%	1.25%
Acceptance Fee	3%	2%	3%	2%	3%
Exit Fee	0%	2%	0%	1.25%	0%
Term (months)	3 months	6 months		12 - 24 months	
Secondary Period	3 months	6 months		n/a	
Secondary Period Monthly Rate	1.50%	1.50%	1.50%	n/a	
Loan Amounts	£26,000 - £500,000 (> £250,000 by referral)				
Minimum Property Value	£50,000				
Packager Allowance (%)	1.0%				
Broker Fee	Can be applied				

100% Funding available with additional security

	Prime	Light	Medium	Heavy (by referral)
Max Demerits*	0	2	4	>4
Max LTV - Residential Securities (OMV)	75%	70%	60%	55%
Max LTV - Semi-commercial & Commercial Securities (90 day FSV)	65%	60%	55%	50%
Remortgages / Second Charges	Reduce Max LTV by 10% if OMV			

* Please refer to Term Loan Plan for Demerits Table

Case outside criteria? We'll always take a view!

Notes for Bridging Finance

All other term loan underwriting criteria applies. All Loan to Values & maximum advance strictly subject to underwriter approval. Underwriter will discuss valuation with surveyor before completion. Loans >£250,000 by underwriter approval. Up to 100% funding available. Higher LTVs considered dependent on the merits of the case. **Property Type** All commercial and semi-commercial property types, construction type or usage, including land, with or without planning permission. **Qualifying Contracts** Loans, purchases and remortgages with <40% immediate family residential occupancy. **Any Status** Sole traders, partnerships, limited companies, pension funds. **Bankrupts** discharged more than 1 year and **IVAs** satisfied for more than 1 year accepted. **Arrears** cannot be last consecutive months, includes first or second charge arrears or a combination, cannot be deducted from the redemption figure. **Explanations required** Satisfactory explanations are required in all cases for arrears and defaults/CCJs. **Account Management** Should the client wish to extend the loan beyond the secondary period a renewal fee of 5% of the gross outstanding balance is payable. Other plans only available on renewal with underwriter agreement. Difficult and unusual cases dependent on the merits of the case. An account management fee of 0.25% may be applied if the account accrues arrears. All other standard terms and conditions apply. See overleaf for more details.

Options available

- ✓ First Charges
- ✓ Second Charges
- ✓ Cross Charges
- ✓ Interest Roll-up
- ✓ Deferred Payments
- ✓ Payment Deduction
- ✓ Stage Payments

Demerit Points - Arrears, CCJs, etc.

CCJs and Defaults definitions (Defaults show as status 8 or D on the credit bureaux search)	Individual CCJs/Defaults			
	≤£300	>£300 and ≤£3,000	>£3,000 and ≤£10,000	>£10,000
Unsatisfied ≤1 years old	Ignore	1 Demerit	1 Demerit	Underwriter Approval
Satisfied ≤1 years old	Ignore	Ignore	1 Demerit	1 Demerit

Satisfactory explanation required for all CCJs, Arrears, Defaults.

Demerit points are defined as arrears, a CCJ or a Default. CCJs and Default definitions- see matrix. **Secured arrears** * Arrears are equivalent of 1 full calendar month payment. Arrears demerit points defined as the highest number of arrears in the last 12 months on all mortgages and secured loans for the applicant(s). Cannot be deducted from the redemption figure. Arrears to be cleared are defined as arrears as detailed on the credit bureaux or confirmation from the mortgage lender at the time of completion. Maximum arrears are the total of the first and second charge arrears. Satisfactory explanation required for all CCJs, Arrears, Defaults. Any CCJs or defaults that require an Underwriter Approval will count as a demerit. Plausible explanations and proof may be required.

Drive By Valuation Bypass

Max Loan	£15,000*	£50,000	£75,000
Max LTV	70%	65%	50%
Property Type	AB		
Property Valuation	£0 - £750,000		

100% Residential properties only.
*Prime only

Special Bypass schemes on Auction Purchases

† Pre-approved Auction Purchase

If the applicant needs an approved amount prior to Auction, simply provide an enquiry form and details of the Auction, lot number and catalogue. A pre-approved amount can be provided so the applicant can bid with confidence! All other standard underwriting Terms & Conditions apply.

* Valuation Bypass

Maximum £150,000 valuation - based on Hometrack or Auction House guide.
(Only available for auction purchases. Not available for commercial properties and land.)

Commercial Loan to Values

Higher LTVs considered on the merits of the case.
Additional security accepted on all cases.

DMV: Market Value (The market value subject to a Special Assumption of a defined marketing (DMV) period of 90 days with vacant possession)
EUV: Existing Use Value. Underwriter will discuss the valuation with the surveyor before completion.

Commercial Loan to Value Guidelines

Maximum LTVs based on 90 day DMV/EUV vacant possession (or equivalent), or purchase price in some instances dependent on the overall merits of the case. Bricks and mortar valuation only. Valuations are valid for a maximum of 3 months. MV and 180 day DMV/EUV may be considered dependent on the merits of the case, e.g. security, status, LTV, etc.

Property Types

Accepted

Buy to Let Portfolios, Commercial Investment Property leased industrial/manufacturing/wholesale/office units, Equestrian Centres and House, Hotels, Land, Leisure Premises Licensed Premises wine bars, social and political clubs, Lock-up Garages, Residential/Multi-let, Residential Care/Day Care/Nursing Homes, Restaurants Retail Units, Warehouse/Light Industrial Units, Working Farms & Farmhouses.

Pubs, Bed & Breakfast, Dry Cleaners - up to 50% LTV.

Considered on Merit

Non-standard construction properties, lower value properties, petrol stations, property portfolios, vacant investment properties, amusement parks, golf courses, private clubs, discotheques, night clubs.

Not accepted

Chemical works, contaminated properties, mobile homes, sports clubs, property owned by charities, casinos.

These plans and commissions supersede all previous packs, criteria, special plans and commissions including overrides. This information is for use by authorised intermediaries only and must not be distributed to potential borrowers.

Bridging Finance & Short Term Funding

Terms & Conditions

Accepted

Individuals, sole traders, partnerships, limited companies, pension funds, self-employment with proof.

Acceptance Fee

Not included in LTV. Will be applied to all loans and mortgages. Please refer to Quick Quote Calculator.

Acceptable Security

Most property structures including land, with or without planning permission, and developments considered in England, Scotland and Wales. See plans for details. Minimum of 50 years + term of loan for leasehold properties. If the case is on an interest only basis and to be secured on a leasehold property typically a minimum of a 99 year lease will be required.

Bankrupts/IVAs/CVAs

See plans. It may be possible to clear the IVA/bankruptcy/CVA by underwriter referral.

Bridging Finance & Short Term Funding

Please provide details of how the capital will be repaid at the end of the term.

Broker Fees

May be charged on all plans and must have been agreed with the client.

Commercial & Buy to Let Portfolio/Semi-commercial Loans

Unregulated Loans. Where the loan is secured on property and, at the time the agreement is entered into, **40% or less will be occupied by the customer (or a member of the customer's immediate family) the loan will be unregulated.** The loan is exempt from CCA Regulation and no consideration period is required. This includes loans (irrespective of the amount) that are secured on Buy to Let, semi-commercial and commercial property. It is imperative that before issuing any documentation the percentage occupancy of the property is acquired as this affects the legal documentation.

Where the customer applies for a second charge loan, the customer or a connected person does reside in the security and more than 50% of the loan will be used for business purposes, this would be unregulated due to business exemption.

Commissions

You should disclose a monetary amount of the commission you will earn to the customer and hold confirmation on file.

Development Finance/Self Build

Each case considered on its own merits. Strictly by underwriter approval only. Must have NHBC, Zurich or Premier Guarantee to accompany Architect's Certificates.

Early Payment Plan (EPP)

Early Payment Plan is for an initial 3 months period. For the term of the EPP period 50% of the payment is required. The other 50% rolls up onto the loan balance. The recalculated balance will then need to be redeemed at the end of the term. Strictly subject to Underwriter Approval.

Ground Rent and Service Charges

When the Security is a leasehold property we will require confirmation in writing from any freeholder that all ground rent and service charges are paid and up to date. Where there are arrears these will need to be cleared from the advance and we will need written authority from the applicant(s) that they understand and authorise them to be disbursed from the loan.

Identification

As part of 'know your customer' we will conduct Electronic Identification and Credit Searches. Should any information become apparent we may need to carry out further investigations which may need the broker's assistance. (Please refer to 'Identification' in General Underwriting and Processing Guide.)

Non UK Passport Holders

We are happy to proceed with applicants who have passports from the following countries:

Any EU country, Switzerland, Channel Islands, Switzerland, USA, Australia, Canada and New Zealand

These applications must be witnessed and advised by a solicitor.

Any applicants who do not have a UK Passport or a Passport from the list above are subject to underwriter referral.

UK Passport Holders Living overseas

We are happy to proceed with applications where a UK Passport holder is resident in the following countries:

Any EU country, Switzerland, Channel Islands, Switzerland, USA, Australia, Canada and New Zealand

These applications must be witnessed by a Notary Public.

Any applications for a UK Passport holder residing in a country outside the list above are subject to underwriter referral.

Income Calculation

For cases that are submitted to Lancashire Mortgage Corporation the total debt to income is also assessed. Please ensure that the Declaration of Income and Affordability is completed in full with all secured outgoings declared.

Income Proof

Income proof is required for all applicants in all cases.

Employed - if monthly paid, 2 payslips dated within the last 3 months; if weekly paid, 4 payslips dated within the last 2 months. Additional income may be considered with proof.

Self-employed/Corporate Entity (Limited Company, LLP, etc) -

- Company accounts
- SA302 (or equivalent tax certificate)
- Accountant Certificate / Reference - They must have an Accountant who holds a current practising certificate and who is a member of one of our acceptable Accountancy bodies
- Appropriate evidence such as business appraisals / plans, bank statements, pay slips, contractor statements, pension statements, benefit statements, maintenance awards or other appropriate independent evidence

An Accountants reference must include the applicant's:

- Nature of business/trade.
 - Trading Name.
 - Most recent financial year's profits, with a projection for the forthcoming year.
 - Drawings and a projection for the forthcoming year.
 - The accountants opinion as to whether the client can afford the monthly repayment of (£xxx.xx monthly payment).
- This reference letter will be accepted as one of the proofs of self-employment, but a further strong proof will also be required.

Personal/Business Bank Statements must show their declared income being credited to the account. An affordability verification will also be conducted. Two further strong proofs of self-employment will also be required.

Property Professionals and Landlords Assured Shorthold Tenancy agreement (or Agent Assessed Rental income) or lease with a 'Rental Income Schedule' to detail all properties and rental income in the portfolio. This can be obtained from your underwriter or Business Development Executive.

Responsible lending - Accounts and projections may be required and further information, such as other indebtedness may be taken into account when assessing affordability. Personal guarantees and debentures will be required for loans to Corporate Entities.

Maximum Age

The loan should end on or before the client's 80th birthday (maximum term may be restricted for applicants of state pensionable age). If the term of the loan exceeds the client's retirement age special consideration must be given to this type of borrower as to how they will continue to support any loan once they have retired. Proof of the applicants lending into retirement explanation may be required.

Maximum Loan Amount

Includes loan amount, all insurances and all fees.

Personal Guarantees

These will be required in cases where the case is for a corporate entity (eg. limited company, LLP, Pension Fund, etc) and not an individual.

Purpose

Any legal purpose is accepted. This must be clearly detailed on the Application/Enquiry form.

Renewal

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

Solicitors

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 (e.g. limited company, LLP, Pension Fund, etc) and not an individual
- The loan amount is >£150,000

Client Solicitors All solicitors acting for clients must have 3 or more partners within the practice, with a Law Society membership of 5 years or more. If the client's solicitor does not fulfil these requirements please refer to underwriter.

Solicitor's Costs

Charged on all cases and include VAT where applicable. Please refer to Quick Quote Calculator. On difficult, unusual cases and multiple securities solicitor's costs will be charged dependent on the merits of the case.

Amount of Advance	Fee
≥£0	£588
≥£100,000	0.58750%

Telegraphic Transfer

£30 Fee.

Title Insurance

Paid by client and added to the advance.

Loan Amount	Fee
£0 - £50,000	£300
£50,001 - £100,000	£350
£100,001 - £200,000	£450
£200,001 - £300,000	£550
£300,001 - £400,000	£650
£400,001 - £500,000	£750
£500,001 - £600,000	£850
£600,001 - £700,000	£950
£700,001 - £800,000	£1,100
£800,001 - £900,000	£1,250
£900,001 - £1,000,000	£1,400
£1,000,001+	By referral

Multiple Securities: an additional fee of £150 will be charged for each additional security.

Valuations

Must be dated within the last 2 months.

Commercial Valuation Panel is available from your Business Development Executive. All property valuations of £1 million or more are strictly subject to underwriter approval. Additional audit valuations may be required on Properties that have a value of £500,000 or more. We require original valuations with no amendments. If amendments have been made we require all previous versions and the case will be referred and is strictly subject to Credit Committee approval. The surveyor must be within 15 miles of the property (unless by prior agreement with your underwriter). Please ask your Business Development Executive for a copy of the current valuation panel before instructing a valuation. We will contact any valuers or other appropriate sources regarding the valuations of a property. Should any further information be discovered which is not reflected in the valuation or may have a detrimental effect on the value of the property, we reserve the right to reduce the loan amount or decline the case. **For Sale Details:** If the property is currently for sale with an estate agent, please supply a copy of the sales particulars.

PLEASE REFER TO GENERAL UNDERWRITING & PROCESSING GUIDE FOR FURTHER DETAILS.

All fees include VAT where applicable.

Please note: Cases will be reviewed by the Fraud Committee for the purpose of identifying potential fraud. This will include income and valuation fraud. Should in our opinion any case you present be deemed to be fraudulent the case will be rejected and action taken by the Fraud Committee, which will ultimately result in your accreditation being revoked.

Help us to help you

To ensure you contact the department you need we have devised this list of 'useful numbers'. Please refer to it before contacting us so that you will access the department to suit your requirements. Many thanks!

New Enquiries & In Principle Decisions Team

Call: 0161 933 7080
 Fax: 0161 933 7081
 Email: commercialsales@togethermoney.com

Processing Team

Call: 0161 933 7082
 Fax: 0161 933 7083
 Email: commercialunderwriting@togethermoney.com

Visit our websites at www.mybrokervenue.co.uk or www.togethermoney.com