24 JULY 2026

Product guide

Healthcare commercial mortgages product guide

Quick links

Tariff of fees	View fees
Mandatory information checklist	View checklist
Need help? We're here to help	Get in touch

Allica Bank

Lending criteria

Owner-occupied

Criteria	Description
Borrower type	Elderly care home operators, specialist care operators, children's day nursery operators
Loan size	£500,000 to £15 million £5 million maximum loan for first time buyers
Term	Elderly care homes for experienced operators: up to 30 years Elderly care homes for first-time buyers: up to 20 years Specialist care homes: up to 30 years Children's day nurseries for experienced operators: up to 30 years Children's day nurseries for first-time buyers: up to 20 years
Base Rate type	Variable – Bank of England Base Rate (subject to a minimum Base Rate of 1.5%) Fixed – reverts to a margin above Bank of England Base Rate equal to the fixed rate less 1.5%, subject to a Base Rate floor of 1.5%

Waived arrangement fees

For a three-month promotional period, arrangement fees will be waived on:

- Owner-occupier mortgages of £750,000 and above
- Commercial investment mortgages of £750,000 and above
- Specialist buy-to-let mortgages of £1.5m and above

This applies to eligible applications received between 7 July 2026 and 30 September 2026.

Additional terms of promotions apply. Visit www.allica.bank/property-finance

Investment

Criteria	Description
Borrower type	C2 residential care homes and nursing homes (experienced landlords only) C3(b) supported living and group homes (experienced landlords only)
Repayment type	Interest only: C2 and C3(b) Capital and interest: C2 (if the MV3 LTV is greater than 80%)
Debt Service Cover	Investment care C2: 130% DSCR gross rent Investment care C3(b) 130% ICR from gross rent Repayment cover calculated at pay rate for fixed rate mortgages
Loan size	£200,000 to £10 million
Term	C2: five years or up to 25 years if MV3 LTV is greater than 80% (minimum lease term of 10 years (six years if the VP LTV is no more than 75%)) C3 (b): five years (minimum lease term of five years)

Investment discount

0.25% **EPC rating A-C or loan over £750,000**

Elderly care homes

Experienced operators

(A minimum of two years as a care home owner-operator)

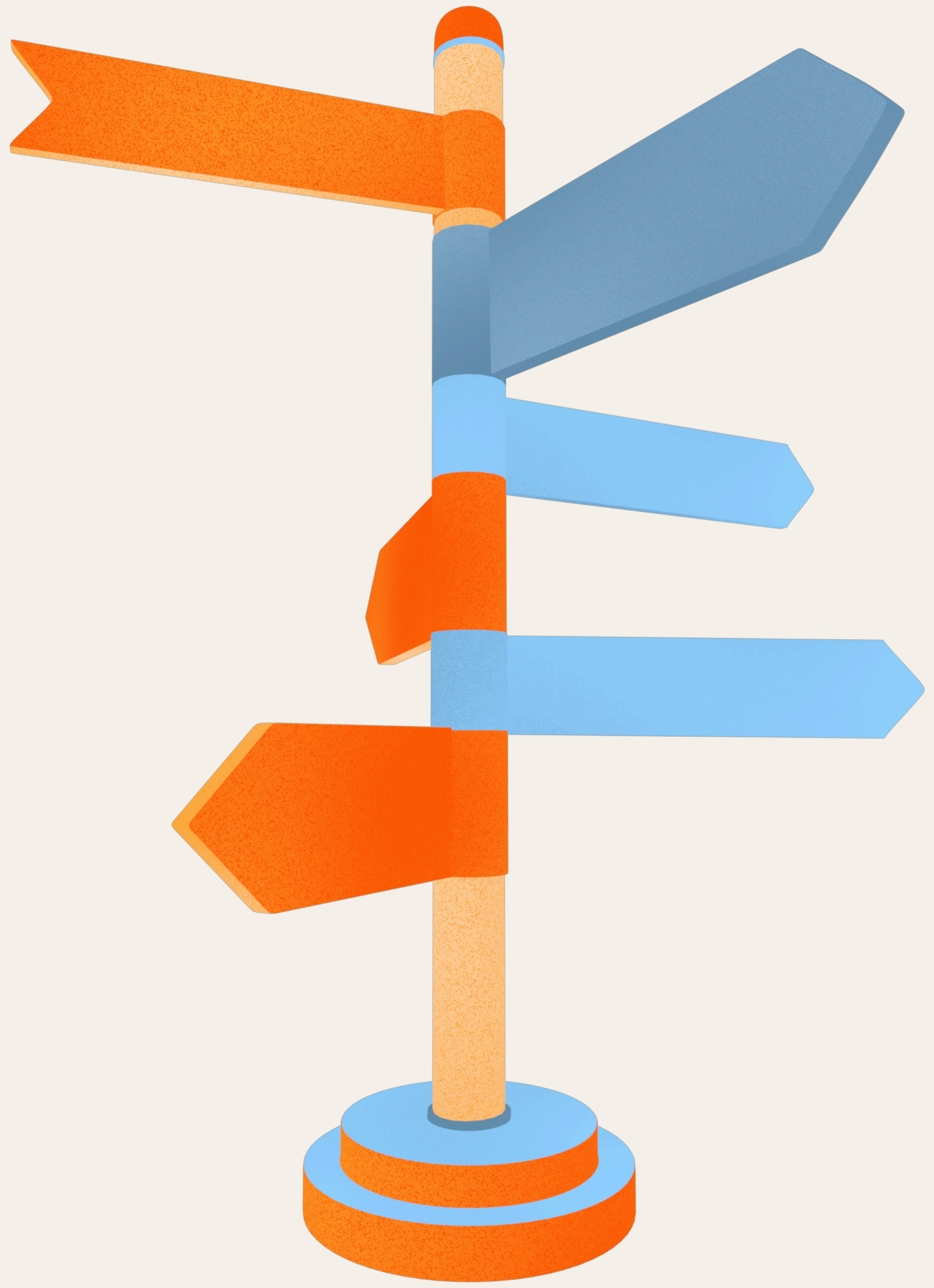
Criteria	Description
Repayment type	Capital and interest Up to two year capital repayment holiday available
Loan size	£500,000 to £15 million (subject to a maximum of 6.0x EBITDA)
Debt Service Cover	130% adjusted EBITDA
Maximum loan term	Up to 70% MV: 30 years Up to 75% MV: 25 years
Minimum number of bedrooms	20
Current account discount	Save 0.50% on your interest rate if you open a Business Rewards Account and use it for 50% of your annual turnover. Additional terms and conditions apply.

Product	Rate
Up to 60% MV	2.10%
Up to 75% MV	2.30%

Loan-to-value:

Up to 75% MV and 100% MV2, whichever is lower.

'MV2' - Market Value on the special assumption that property is open, accounts are not available and restricted sales period of 9 months.



All rates shown are inclusive of the Business Current Account discount (0.5%)

Elderly care homes

First time buyers/new entrants

(Operators with less than two years experience/first-time buyers)

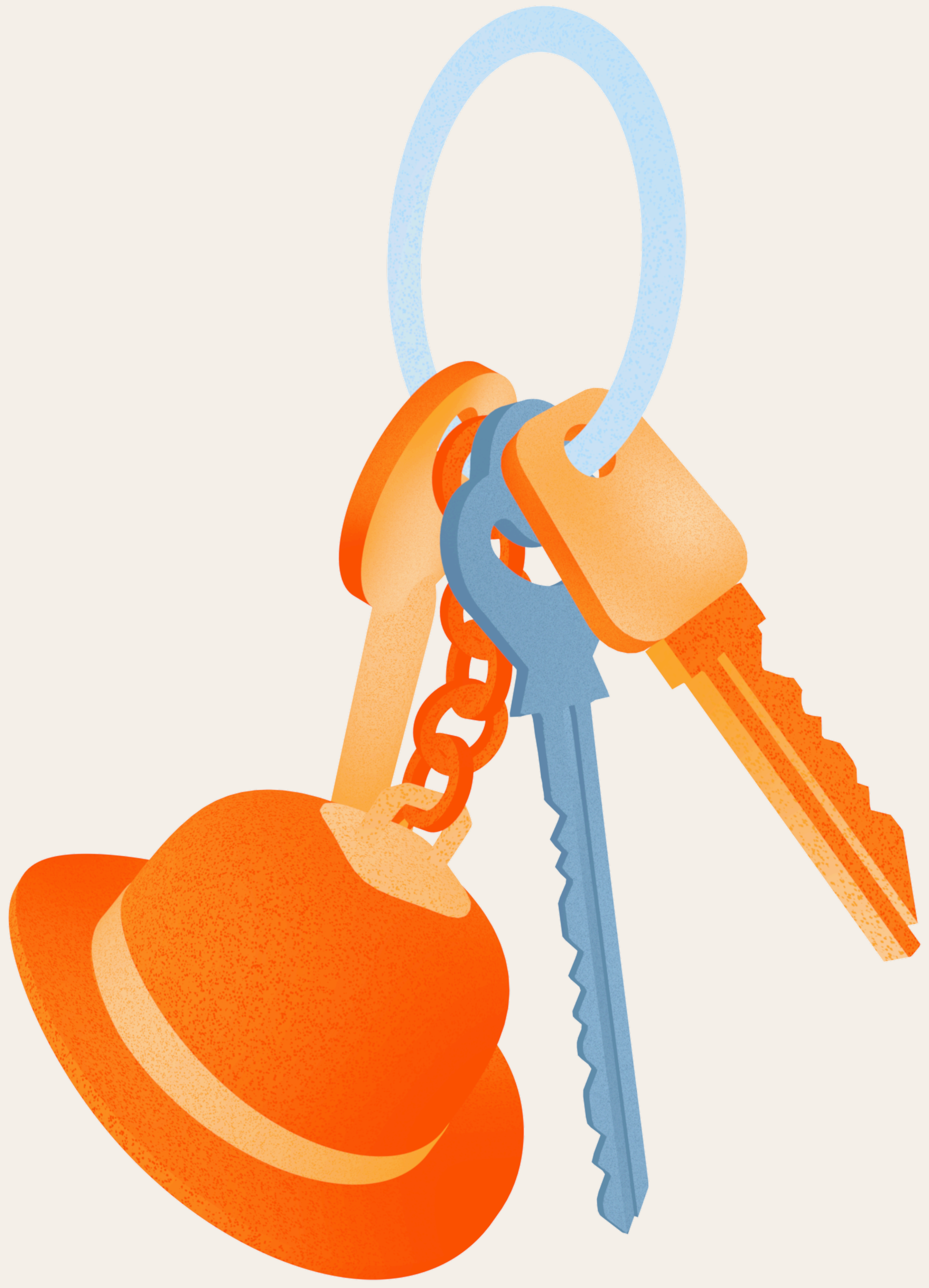
Criteria	Description
Repayment type	Capital and interest Up to two year capital repayment holiday available
Loan size	£500,000 to £5 million (subject to a maximum of 5.0x EBITDA).
Debt Service Cover	150% adjusted EBITDA
Maximum loan term	20 years
Minimum number of bedrooms	20
Current account discount	Save 0.50% on your interest rate if you open a Business Rewards Account and use it for 50% of your annual turnover. Additional terms and conditions apply.

Product	Rate
Up to 70% MV/90% MV3	2.50%
Up to 70% MV/120% MV3	2.75%

Loan-to-value:

Up to 70% MV and 120% MV3, whichever is lower.

'MV3' – Market Value on the value of the property closed with no trading accounts.



All rates shown are inclusive of the Business Rewards Account discount (0.5%)

Care homes

Specialist care operators

(A minimum of three years as a specialist care home owner-operator, strong links to regulatory bodies and mature operational team)

Criteria	Description
Repayment type	Capital and interest Up to two year capital repayment holiday available
Loan size	Owner occupied: £500,000 to £15 million (subject to a maximum of 6.0x EBITDA) Investment: £200,000 to £10 million
Debt Service Cover	130% adjusted EBITDA (owner-occupied only)
Maximum loan term	Owner-occupied: up to 30 years C2: five years or up to 25 years if MV3 LTV is greater than 80% (minimum lease term of 10 years (six years if the VP LTV is no more than 75%)) C3 (b): five years (minimum lease term of five years)
Minimum number of care bedrooms/ homes	Single-asset: four bedrooms Multi-asset: three homes

Owner-occupied

Product	Rate
Up to 70% MV/75% MV3 (single-asset)	2.50%
Up to 70% MV/80% MV3 (multi-asset)	2.10%
Up to 70% MV/120% MV3 (multi-asset)	2.30%

Specialist care operators:

- Children's learning disability care: 5-18 years with complex needs ranging from lower acuity social, emotional and mental health issues (SEMH) through to more complex acquired brain injury/autistic spectrum conditions (ABI/ASC)
- Adult learning disability residential care
- Adult supported living (where operator owns the freehold assets)

Investment

Property type	Up to 65%	Over 65%
C2 - Residential care and nursing homes	7.40%	7.60%
C3(b) - Supported living/group homes	5.95%	6.50%

Pricing for C3/ C3b based on VP value, C2 based on Market Value

Investment discount

0.25% **EPC rating A-C or loan over £750,000**

All rates (excluding investment) shown are inclusive of the Business Current Account discount (0.5%)

Children's day nursery (owner-occupied)

Experienced operators

(A minimum of two years as children's day nursery owner-operator)

Criteria	Description
Repayment type	Capital and interest Up to two year capital repayment holiday available
Loan size	£500,000 to £15 million.
Debt Service Cover	130% adjusted EBITDA
Maximum loan term	Up to 30 years
Minimum number of registered places	40
Current account discount	Save 0.50% on your interest rate if you open a Business Rewards Account and use it for 50% of your annual turnover. Additional terms and conditions apply.

Product	Rate
Up to 70% MV/90% MV2	2.10%
Up to 70% MV/100% MV2	2.50%

Loan-to-value:

Up to 70% MV and 100% MV2, whichever is lower.

'MV2' - Market Value on the special assumption that property is open, accounts are not available and restricted sales period of 9 months.

All rates shown are inclusive of the Business Current Account discount (0.5%)

Children's day nursery (owner-occupied)

First-time buyers/new entrants

Criteria	Description
Repayment type	Capital and interest Up to two year capital repayment holiday available
Loan size	£500,000 to £5 million
Debt Service Cover	150% adjusted EBITDA
Maximum loan term	Up to 20 years
Minimum number of registered places	40
Current account discount	Save 0.50% on your interest rate if you open a Business Rewards Account and use it for 50% of your annual turnover. Additional terms and conditions apply.

Product	Rate
Up to 70% MV/90% MV3	2.50%
Up to 70% MV/100% MV3	2.75%

Loan-to-value:

Up to 70% MV and 100% MV3, whichever is lower.

'MV3' – Market Value on the value of the property closed with no trading accounts.

Applicant must meet one of the following criteria:

- Have a minimum of three years direct experience working in a childcare setting with a senior position (e.g., primary school teachers, nursery setting, childminder, out of school clubs, social workers) or
- Have suitable academic qualifications, such as HNC and HND Childcare and Education, BA Childhood Practice, Health and Social Care.

All rates shown are inclusive of the Business Current Account discount (0.5%)

Mandatory information checklist

What you'll need to start an application

- **Company / business details**
- **Details of the officer applying on behalf of the business**
  Full name, DOB, address details (address to cover minimum 3 years) and contact (email or mobile) details.
- **Property details**
  Property address, estimated value, age, freehold or leasehold, and propety type.
- **Details of tenant and lease terms**
  Name, rent, start, break and expiry date.
- **Product details**
  Term, repayment profile and how Arrangement Fee is to be paid.
- **Affordability**
  Turnover, EBITDA and rent.
- **Any further details of income sources**

Description	Investment	Owner-occupied
Historical financial/ income information - last 2 year's financial accounts (to include detailed profit and Loss and Balance sheet) - excludes newly formed SPV's	✓	✓
Up to date financial/ accounting information - Management Accounts		✓
Full tax returns of Ultimate Beneficial Owners/ Applicants	✓	✓
Bank statements - personal - last 3 months	✓	✓
Bank statements - business - last 3 months	✓	✓
Debt schedule (to cover external debt with more than 1 facility)		✓
A Proposal Summary which must include: • the structure of the loan (eg. Newco, OpCo/ PropCo) • evidence of affordability (show how EBITDA has been calculated) • background experience of the directors/ partners/ individuals • brief description of the security property • an overview of how rising prices and energy, fuel costs have affected business, tenant performance and how has this been managed		✓
A Proposal Summary which must include: • tenant performance over last 12 months to include - rental voids, rental arrears and any management expenses incurred • background experience of the directors/ partners/ individuals/ purpose of funds (if Capital Raise) • brief description of the security property	✓	
Property schedule	✓	
Assets, Liabilities, Income and Expense Report (ALIE)	✓	✓
Nominated Bank account details	✓	✓

Fees and charges

Fees	Arrangement fees can be added to the loan for loans up to £3m Owner-occupied mortgage applications will incur an arrangement fee of 1.5% Investment mortgages will incur an arrangement fee of 2%
Overpayments	10% allowed per annum
Early repayment charges	3% for the first 5 years (variable rates only)
5-year fixed rate breakage cost	5% in year one, 4% in year two, 3% in year three, 2% in year four, 1% in year five
Fixed rate pricing	Fixed rates are guaranteed for 5 months from the date of the Offer Letter. Beyond 5 months, we have the right to amend the rate if market funding conditions have changed
Interest margin	Margins are above Bank of England Base Rate (subject to a minimum Base Rate of 1.5%). Interest rate margins are subject to status and due diligence. Extending above 70% MV considered subject to borrower profile, DSCR, and personal guarantee. For care home transactions, please speak with your specialist relationship manager for full details on required information.