

# Commercial Owner-Occupied Mortgage

Features	Product details
<b>Borrower Type</b>	UK registered Limited Companies, LLPs, Partnerships and Sole Traders. NewCos not yet incorporated  Established businesses and experienced applicants
<b>Amount</b>	£150,000 to £2m
<b>Interest Margins</b>	4.55%-5.85%/ Bank of England Base Rate, subject to status
<b>Interest Rate Type</b>	Variable
<b>Pay Rate Floor</b>	4%
<b>Loan to Value (LTV)</b>	See table overleaf for LTV by property and business type
<b>Term</b>	5-20 years
<b>Loan Type</b>	Repayment, up to 2 year capital repayment holiday available
<b>Affordability</b>	130% DSCR
<b>Security</b>	First charge over freehold/ long leasehold property in England and Wales  Debenture and Guarantees - on a case by case basis
<b>Purpose</b>	Purchase, re-mortgage and capital raising
<b>ERCs</b>	3% for the first 5 years
<b>Overpayments</b>	10% overpayments allowed per annum without charge
<b>Fees</b>	Arrangement Fee 1.5%  Commitment Fee 0.25% (part of the Arrangement Fee), payable when offer accepted  The remaining 1.25% of the Arrangement Fee can be added to the loan

Please see overleaf for information required to make an application. The product information is correct at the time of printing. Interest rates and other terms are determined individually for each case.

# Commercial Investment Mortgage

Features	Product details
<b>Borrower Type</b>	UK registered Limited Companies, LLPs, Partnerships and Sole Traders. NewCos not yet incorporated  Established businesses and experienced applicants
<b>Amount</b>	£150,000 to £2m
<b>Interest Margins</b>	5.00%-6.30%/ Bank of England Base Rate, subject to status
<b>Interest Rate Type</b>	Variable
<b>Pay Rate Floor</b>	4%
<b>Loan to Value (LTV)</b>	See table overleaf for LTV by property and business type  Maximum LTV reduced by 5% for 5 year interest only loans, or 10% for interest only loans up to 10 years
<b>Term</b>	5-20 years for capital repayment mortgages 5-10 years for interest only mortgages
<b>Loan Type</b>	Repayment or interest only
<b>Affordability</b>	135% DSCR
<b>Security</b>	First charge over freehold/ long leasehold property in England and Wales  Debenture and Guarantees - on a case by case basis
<b>Purpose</b>	Interest only loans must evidence affordability on a 20 year repayment profile  Purchase, re-mortgage and capital raising
<b>ERCs</b>	3% for the first 5 years
<b>Overpayments</b>	10% overpayments allowed per annum without charge
<b>Fees</b>	Arrangement Fee 1.5%  Commitment Fee 0.25% (part of the Arrangement Fee), payable when offer accepted  The remaining 1.25% of the Arrangement Fee can be added to the loan

Please see overleaf for information required to make an application. The product information is correct at the time of printing. Interest rates and other terms are determined individually for each case.

## What you'll need to start an application:

- Company/ Business details
- Details of the officer applying on behalf of the business (Director/Partner/Applicant)
- Information about the property
- Loan details (amount/ term/ repayment profile)
- Tenancy details (name/ rent/ lease start date/break option/ expiry date)
- Affordability (adjusted EBITDA/ rental income)
- Additional sources of income

## At this point, you can choose to submit for a Decision in Principle or continue with a full application. For a full application, you will need:

- Details of other officers involved in the business
- Supporting documentation (Management information/ accounts/ deposit contribution/ other borrowings/ business bank statements)
- Nominated bank account details
- A Proposal Summary which must include:
  - the structure of the loan (e.g. Newco, Opco Propco)
  - evidence of affordability (show how EBITDA has been calculated)
  - background experience of the directors/ partners/ individuals
  - impact COVID-19 has had on the business / tenant performance
- Supporting information (commentary and other documents that may help us to make a quicker decision)

Property type. For commercial owner-occupied or investment mortgages	Maximum loan to value
Warehouses, industrial units, factories, offices, mixed use/ multi let (excluding residential and retail), retail units with commercial or residential uppers, retail units (lock up), professional practices, holiday lets	70%
Garages/ vehicle showrooms, food outlets, restaurants	65%
Student accommodation	60%

  

Business type. For commercial owner-occupied mortgages only	Maximum loan to value
Convenience stores	65% Market Value 80% Vacant Possession
Childrens day nurseries, hotels, public houses, guest houses/ B&Bs	65% Market Value 70% Vacant Possession
Leisure	60% Market Value 70% Vacant Possession