

# Allica Bank Commercial Mortgages

For intermediary use only



Features	Product details
Borrower type	UK registered Limited Companies, LLPs, Partnerships and Sole Traders. NewCos not yet incorporated
Loan size	£150,000 to £5 million
Term	5 to 25 years. Interest only products maximum 10 years.
Base Rate type	Variable – Bank of England Base Rate (subject to a minimum of 0%) Fixed – reverts to a margin equal to the fixed rate, less Bank of England Base Rate at the time the Offer Letter is issued
Security	First charge over Freehold & Long Leasehold Property in England, Scotland & Wales Debentures & guarantees on a case by case basis
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
10-year fixed rate breakage cost	10% in year one, 9% in year two, 8% in year three, 7% in year four, 6% in year five, 5% in year six, 4% in year seven, 3% in year eight, 2% in year nine, 1% in year ten
Fees	Arrangement fee – 2%, which can be added to the loan for loans up to £3m Commitment fee – £500 payable once a formal Loan Offer is made and before we instruct a formal valuation. Refunded at completion. Procurator fee – 1.5% of the loan amount
Overpayments	10% allowed per annum
Fixed rate pricing	Fixed rates are valid for 3 months from the date of the Offer Letter. Beyond 3 months, we have the right to amend the rate

## Owner-occupied

Repayment type	Capital & Interest. Up to 2-year Capital Repayment Holiday available
Debt Service Cover	Variable – 150% using adjusted EBITDA at margin plus Base Rate plus 3% Fixed rates – 150% at pay rate using adjusted EBITDA

## Semi & Commercial Investment

Repayment type	Capital & Interest Interest Only (5-to-10-year term)
Debt Service Cover	Variable – 150% using gross rent at margin, plus Base Rate plus 3% Fixed rates – 150% at pay rate Interest only loans must evidence affordability over a 25-year amortising term

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		LTV range						
		0-45%	45.01-50%	50.01-55%	55.01-60%	60.01-65%	65.01-70%	>70.01%
Owner-occupied Prime (margin over base rate)		3.50%				3.65%		
Owner-occupied Variable (margin over base rate)		4.85%	4.95%		5.05%		5.15%	
Owner-occupied 5-year Fixed		8.00%				8.24%		
Owner-occupied 10-year Fixed		7.75%						
Commercial Investment Prime (margin over base rate)	Fully commercial	4.15%				4.55%		
	20-50% residential	3.75%				4.05%		
	51-80% residential	3.50%				3.80%		
Commercial Investment Variable (margin over base rate)	Fully commercial	5.00%				5.25%		
	20-50% residential	4.35%				4.60%		
	51-80% residential	3.65%				4.15%		
Commercial Investment 5-year Fixed	Fully commercial	8.00%				8.24%		
	20-50% residential	7.35%				7.60%		
	51-80% residential	7.05%				7.30%		
Commercial Investment 10-year Fixed	Fully commercial	7.75%						
	20-50% residential	7.10%						
	51-80% residential	6.80%						

Discount of 0.25% for EPC rating A-C

Discount of 0.25% for loan of £750k or over

## Prime criteria – Investment

3 years' experience

150% repayment cover from external income

Property located in a UK town or city and with no wants of repair

## Prime criteria – Owner-occupied

200% Debt Service Cover at margin plus Base Rate plus 3%

## 10-year fixed criteria - Owner-occupied and Investment

150% Debt Service Cover

Property EPC rating A-C

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## Standard property types

	Standard investment & Owner-occupied	Owner-occupied with 2 x DSC
	VP	VP
Factories	75%	80%
Food outlets - Takeaway	70%	70%
Garages / Vehicle Showrooms	75%	75%
Holidays Lets	75%	80%
Industrial Units	75%	80%
Mixed Use / Multi-Let (exc Residential and Retail)	75%	80%
Offices	75%	80%
Retail Units (Lock Up)	75%	80%
Retail Units with Commercial Uppers	75%	80%
Retail Units with Residential Uppers	75%	80%
Student Accommodation	60%	60%
Warehouses	75%	80%

## Trading property types

	Investment	Owner-occupied	
	VP	VP	MVI
Children's Day Nurseries	75%	100%	70%
Convenience Stores	75%	80%	70%
Food Outlets - Restaurant	70%	70%	65%
Guest Houses/B&Bs	70%	70%	65%
Hotels	70%	70%	65%
Professional Practices	75%	80%	70%
Leisure	70%	70%	60%
Public Houses	70%	70%	65%

Semi-commercial apportionment is defined by percentage of floor space across a semi commercial property or portfolio (confirmed at valuation). The residential element must not exceed 80%, and must be capable of being let on a separate AST. The commercial element must be not less than 20%.

All loan to values above are maximums and are subject to credit view on quality of the asset and other factors of the application

To see and download our mandatory information checklist and tariff of fees, please visit [allica.bank/introducers](https://www.allica.bank/introducers)

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