

Bridge to 3 year loan

Key product criteria

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| Product range | Commercial and residential bridge to 3 year term |
| Borrower type | Individuals or corporate body (including limited companies and limited liability partnerships) |
| Property types | <ul style="list-style-type: none"> • HMOs and residential accommodation • Retail with living accommodation • Retail without living accommodation • Offices • Purpose built student accommodation • Warehouses and light industrial units Properties considered specialist or illiquid will not be acceptable |
| Security | <ul style="list-style-type: none"> • First charge on commercial or residential property in England and Wales • Personal guarantees required |
| Loan term | 36 months (bridging term = first 3-12 months) |
| Minimum term | 3 months |
| Loan purpose | Purchase, re-mortgage or capital raise |
| Adverse credit | Three product types are offered for different credit levels: Prime, Classic, Complex (see table below) |
| Loan size ¹ | £100,000 to £3,000,000 |
| Maximum gross LTV ² | 75% |
| Arrangement fee | 2.0% plus 0.5% if extended past the bridging period |
| Procuration fee ³ | 2% |
| Repayment charges payable on all loans after bridging period | 3%, 2%, 1% (year 1, 2, 3+) or 0% if the loan is repaid in last month of its scheduled term |

¹ Larger loan sizes will be considered upon application.

² Gross LTV is calculated using the gross loan amount divided by the lower of the purchase price and valuation. Valuation is typically the OMV, although other measures may be used on a case-by-case basis.

³ Paid from arrangement fee.

Bridging period

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| Bridging term available | The first 3-12 months of the loan term |
| Bridging period interest basis | Interest for the bridging term shall be retained upfront from the gross loan amount |
| Bridging period fixed interest rate | From 7.25% per annum (applied on a daily basis) |

Term loan period interest rates per annum*

| Gross loan to value | 60% | 65% | 70% | 75% |
|---------------------|-------|-------|-------|--------------------|
| Residential | 6.74% | 6.99% | 7.49% | 7.99% ⁴ |
| Semi Commercial | 7.19% | 7.44% | 7.94% | 8.44% |
| Commercial | 7.39% | 7.64% | 8.14% | 8.64% ⁵ |

* Loan interest rates outlined above include a monthly pay rate, retained interest and Libor. Minimum monthly pay rate of 4.50%. 3m Libor has a minimum level of 1% pa. Interest rates will increase during the loan term if Libor rises above 1%. Indicative pricing based on Prime credit profile.

⁴ Only offered on residential properties where the property is deemed to be highly liquid and in very good internal and external condition.

⁵ Only offered for commercial premises where a Strong Tenant Covenant exists.

Additional margin loadings

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| Additional loading may be applied to the interest margin as follows | Houses of multiple occupation - 0.35% Loans under £200,000 - 0.50% Classic and Complex credit – upon review |
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Loan characteristics

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| Loan term available | 36 months (3-12 months initial bridging period) |
| Repayment | Loans are offered on an interest only basis |
| Affordability | 110% of loan term period monthly payment amount (monthly pay rate) calculated after using a Libor stress of 1.0% |

Credit profile

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|---------|---|
| Prime | <ul style="list-style-type: none">• No CCJs in the last 2 years (director or company)• All CCJs must have been satisfied at least 12 months prior to completion• No bankruptcy / IVA in last 3 years• For company purchases, credit checks are applied to the acquirer and its directors• The tenant in the property must have a strong credit profile• For commercial premises, the remaining lease term should be at least 3 years unless, in the case of mixed usage property, the commercial element comprises less than 35% of the total property income• Any lease on the property should be on an arms-length basis to a third party with the rental income set at a market rate• The property should not be deemed to be specialist in nature and should be a liquid property which would attract significant mainstream investor demand should it be marketed for sale in its current condition |
| Classic | <ul style="list-style-type: none">• Up to 2 CCJs of less than £7,000 in the last 2 years (per director or company)• All CCJs must be satisfied at the completion date (completion proceeds can be used for this purpose)• No bankruptcy / IVA in the last 3 years• Where loan repayment is based on a development / re-development proposal• Where the loan otherwise does not fit the Prime product criteria |
| Complex | <ul style="list-style-type: none">• Up to 5 CCJs in the last 3 years with a maximum value of £20,000 (per director or company) or, for owners of property portfolios worth > £2m, a maximum of 2% of the portfolio value• No bankruptcy in last 3 years |

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