

## Lending Criteria

Permitted development is an exciting and integral part of the UK real estate landscape, and has opened up countless opportunities for developers to reinvigorate and repurpose existing buildings. By using existing structures, PD projects can prevent new carbon emissions compared with building a development from scratch.

Permitted development often presents unique risks and challenges. Our in-house team of lawyers, surveyors and credit experts is experienced in navigating these risks and in crafting bespoke lending solutions calibrated to each individual project and borrower.

Once in place, our facilities cover the developer's projected funding, enabling them to make seamless drawdowns and keeping the project liquid, funded and on track. And our professional team is always on hand to provide practical advice and assistance as the project progresses.

| Item                                     | Criteria  |
|--|---|
| Security                                 | 1st legal charge, guarantees  |
| Interest rate range                      | Dependent on leverage and risk from 7.99% fixed pa  |
| Security types                           | Residential, Mixed Use, Student, Care Homes, Hotels   |
| Treatment of interest                    | Rolled or serviced  |
| Max gross loan to GDV                    | 60% commercial 70% residential with discretion to go higher   |
| Max loan to total cost                   | 90%, 100% development costs   |
| Min/Max loan term                        | 6-24 months   |
| Min/Max loan size                        | £2m - £15m  |
| Third party mezzanine and second charges | Considered  |
| Refinance                                | Yes   |
| Geographical lending areas               | England, Scotland & Wales   |
| Mixed schemes                            | Yes   |
| Fees                                     | Typically 1% arrangement fee, 1% exit fee   |
| Minimum interest                         | Typically, 3 months   |
| Current lending preferences              | <ul style="list-style-type: none"> <li>▪ Professional developers with a track record of similar developments</li> <li>▪ Assets converting to residential</li> <li>▪ Urban location with good local amenities</li> <li>▪ Sympathetic and appropriate schemes typically under 50 units</li> <li>▪ Good projects requiring extra leverage</li> </ul> |