



aldermore

Commercial Mortgage Product Information

Telephone: 01733 404518

Lending Amounts £25,001 - £1m • Terms from 5 to 20 Years • Non-regulated and regulated mortgage contracts

Lending on a broad range of properties, including:

- Offices
- Industrial Units
- Modern Factories and Warehouses
- Retail without living accommodation
- Retail with living accommodation
- Commercial and Residential Investment properties

Funding Options

Up to 70% Loan to Value

Sitting tenant purchase

Where applicants are purchasing the property they are currently renting i.e. purchase as a sitting tenant, subject to the Bank being fully appraised and satisfied with the reasons for the discounted price a mortgage of up to 100% of the discounted purchase price can be granted, provided the loan does not exceed our normal LTV for the Scheme based on the Market Value of the property.

Valuation basis

The market value of the property in its present condition, excluding any goodwill, fixtures and fittings etc.

The valuation panel will be restricted with all valuations instructed by Aldermore Bank PLC.

Interest margin available over Bank Base Rate or Libor

All cases will be individually assessed and priced for risk. Please call us for details.

The bank will adopt a minimum base rate of 3%, therefore the minimum charging rate will be the margin plus 3%.

This minimum rate will not be applied until such time as the current base rate reaches 3%. Until this time the charging rate will be the current base rate plus the margin.

Repayment options

- Capital & Interest - **the mortgage must be on this basis for borrowing over 60% LTV**
- Interest Only product (please see below)

Interest Only Product

- Up to 50% LTV available on interest only for a maximum 2 or 3 year term*
- Up to 60% LTV available on interest only for a maximum 2 year term*

*Interest only period available provided we are satisfied with the application.

Arrangement Fees

1.5% - 1.75%

Commission

0.5% - 0.75%

Early repayment charge (ERC)

3% in first 3 years, 2% in years 4 and 5, 1% thereafter (calculated on outstanding balance or amount repaid*)

***Up to 10% of the outstanding balance can be repaid in any 12 month period without incurring an ERC.**

Lending Criteria

- Borrowers with experience, robust financial information / track record and clean credit history.
- 3 full year's audited / certified accounts plus current management figures (if produced); 2 months bank statements*; assets and liabilities statement. Cash flow projections and business plan may be required for business purchase and capital raising situations
- Clear credit search on all applicants, however a maximum of 2 CCJ's in the last 24 months and must be trade disputes or similar, with satisfactory explanation and documentation, will be accepted. No history of any previous bankruptcy is to be shown on the credit search.
- Clean repayment history on all existing mortgages in the last 24 months, evidenced by mortgage account statements.
- No history of being a director of a wound up / liquidated company; without satisfactory explanation.
- Corporate lending must be supported by a Personal Guarantee.
- Owner Occupier debt cover must be a minimum of x 2.
- Investment property payment cover on rental income must be a minimum of 1.3 x cover based on a minimum charging rate of 7.5%.

***We may request a longer period of Bank Statements if there are concerns regarding cashflow.**

Security

- First charge over freehold or leasehold property (minimum 40 years plus mortgage term).
- Property to be insured for a minimum of the reinstatement value advised by our Valuer.
- Directors Guarantees.

Additional security may be required on a case by case basis:

- Where the value of the property is insufficient to provide the full mortgage required then a charge can be provided over other suitable properties to cover the shortfall.
- Fixed & Floating charge over the assets of a limited company may be required where this supports the underwriting requirements.
- Key man life cover may be required.

Any property used as security, which may include your home, may be repossessed if you do not keep up repayments on your mortgage.