

## BRIDGE to LET Product Sheet

### Product Overview

Product Name:	BRIDGE to LET 75 & 70
Funding:	Tiuta Development Finance Limited
Target Launch Date:	7th June 2010

### PRODUCT DETAILS

#### Bridge to Let 75 - **Bridge Element**

LTV:	75% Open Market Valuation (Not to exceed 100% of purchase price)
Bridge Term:	6 Months. (6 months interest will be deducted from the advance*)
Monthly Interest:	1.25% to 65% (6 months deducted*) 1.65% to 75% (6 months deducted*)
Fees:	1.0% Facility Fee (deducted from advance)
	£850.00 legal fees (one fee for both elements)
	Valuation Fee (one fee for both elements)
	Any applicable broker fee will be deducted from the advance

#### Operational commentary

Once applicant or broker confirms to the packager that the refurbishment works are complete, the original valuer will revisit the property and will confirm that works have been completed to a satisfactory standard, and that the property is now in a condition to let. A second valuation will be provided by the valuer.

Tiuta Internal Inspectors will in all cases visit the property at the Bridging assessment stage, and will reserve the right to visit at any time during the refurbishment and/or on completion of such works.

Applicant will be required to provide confirmation that a tenancy (at appropriate level – see below) is agreed and which point Bridging facility will convert to buy to let element. If the applicant is unable to provide a suitable tenancy, or details of a pre-let, 3 months mortgage payments will be deducted from the BTL advance, or if sufficient equity is not available will be required to pay 3 months mortgage payments in advance.

#### Bridge to Let 75 - **Buy to Let Element**

LTV:	75% OMV (allowing for applicant to fully capital raise/ equity release subject to RTI, payment of appropriate fees and charges and maximum loan size.)
Interest:	6.99% fixed rate for 24 months after bridge
RTI:	105%
Arrangement Fee:	A 2.5% arrangement fee will be deducted from the BTL advance
Loan Amount:	The BTL LTV may not exceed the bridging LTV.
Redemption:	6 months interest will be payable if the loan is redeemed within

	the first 21 months. No redemption will be charged in months 22-24.
Exit:	A £350 deeds release fee will be levied on redemption.
<b>BRIDGE to LET 70</b>	
Acceptable Credit	Defaults will be ignored.
	One CCJ to a maximum value £500 satisfied or unsatisfied.
	One missed mortgage payment in the last 12 months (0 in the last 6 months.) All existing mortgages should be currently up to date.
Bridge to Let 70 - <b>BRIDGE element</b>	
LTV:	70% OMV
Monthly Interest:	1.95% (6 months deducted.*)
Fees:	1.50% Facility Fee (deducted from advance)
	£850.00 legal fees (one fee for both elements.)
	Valuation Fee. (One fee to encompass both elements.)
Operational commentary	<p>Once applicant or broker confirms to the packager that the refurbishment works are complete, the original valuer will revisit the property and will confirm that works have been completed to a satisfactory standard, and that the property is now in a condition to let. A second valuation will be provided by the valuer.</p> <p>Tiuta Internal inspectors will in all cases visit the property at the Bridging assessment stage, and will reserve to visit at any time during the refurbishment and/or on completion of such works.</p> <p>Applicant will be required to provide confirmation that a tenancy (at appropriate level – see below) is agreed and which point Bridging facility will convert to buy to let element. If the applicant is unable to provide a suitable tenancy, or details of a pre-let, 3 months mortgage payments will be deducted from the BTL advance, or if sufficient equity is not available will be required to pay 3 months mortgage payments in advance.</p>
Bridge to Let 70 - <b>BUY TO LET element</b>	
LTV:	70% OMV (allowing for investor to fully capital raise/ equity release subject to RTI and maximum loan size.)
Interest:	7.99% fixed rate for 24 months after bridge.
RTI:	100%
Arrangement Fee	A 3.0% arrangement fee will be deducted from the BTL advance
Loan Amount:	The BTL LTV may not exceed the bridging LTV.
Redemption:	6 months interest will be payable if the loan is redeemed within the first 21 months. No redemption will be charged in months 22-24.
Exit:	A £350 deeds release fee will be levied on redemption.
<b>GENERAL UNDERWRITING CRITERIA</b>	
Bridging:	Refinance of a non Tiuta bridge is not acceptable.
Individuals:	Min age 21 Maximum 65 at inception.
Ltd Companies:	UK Ltd Companies (SPVs only) are acceptable.
First Time Buyers:	By Referral.
Rental Income:	Will be assessed on the lower of Valuers assessment or AST

	provided.
Refinance:	No minimum ownership prior to Tiuta Loan (subject to satisfactory money laundering checks by the client's solicitor.)
Minimum Initial Property Value:	£125k
Maximum Loans:	75% to £500k 70% 501k to 1m 65% 1,000,001m -2m £2m+ by negotiation  An initial maximum of 5 loans to any one borrower or Company. No more than 3 can be under refurbishment at any one time. Exceptions strictly by negotiation with Tiuta.
Types of property:	Residential only. No properties in pre emptio. No RTB. Leasehold – min 70 years remaining at the end of the term. (Shorter in London by negotiation) New build property not acceptable (new build = less than 2 years old.) Ex Local Authority by negotiation. Maximum Floors in block by negotiation. Freehold Blocks of flats under one title by negotiation.
Unacceptable Property Types	<ul style="list-style-type: none"> <li>• Concrete construction</li> <li>• 100% timber construction</li> <li>• Steel frame construction</li> <li>• Properties with restrictions as regards to occupancy e.g. agricultural, retirement flats etc</li> <li>• Less than 10 years old without NHBC/Zurich Municipal guarantees or architects certificate</li> <li>• Not wholly owned by the borrower (shared ownership)</li> <li>• Deemed as unacceptable security by the appointed valuer</li> <li>• Properties that have been previously underpinned</li> <li>• Properties outside of England &amp; Wales</li> <li>• Properties above pubs/bars</li> <li>• Properties above restaurants, takeaways or any A3 use</li> <li>• Properties above entertainment venues (including Amusement Arcades)</li> <li>• Holiday lets</li> </ul>
Geographical:	England & Wales only
Max loan per case:	By negotiation.
Maximum Exposure to borrower:	By negotiation.
Exposure in a block or Development:	Less than 20 flats in a block – we will lend on up to 40% From 21 – 50 in a block – we will lend on up to 10% Blocks of more than 50 flats by negotiation.
Acceptable Valuer:	Countrywide (to be instructed by packager – retypes are not acceptable)
Income:	To be declared on all applications (we may seek confirmation of this where we deem appropriate)
Existing Mortgages:	Proof of payment will be required if not on credit report.
Refurbishment Costs:	Please note that if refurbishment cost exceeds 20% of the initial property valuation refer application to Tiuta U/W before

instructing valuation.

#### **PACKAGER REQUIREMENTS:**

Fully completed application form

Asset & Liability statement (to include all A&L information on Tiuta application form)

Direct Debit Mandate (**NB. The original DDM will be required prior to completion**)

Fully expanded credit report

If the credit report does not show the mortgage on the Applicant's primary residence and the subject property (in the case of refinance), then we require mortgage statements and bank statements showing the payments from the statement to date or a mortgage reference

Last 3 months personal active bank statements

Copy of AST (for transfer from Bridge to BTL)

Copy passport

Valuation report

Land registry search for the security and home address

Law Society check & print out

Solicitors Regulation Authority check

Schedule of Refurbishment Works and Estimate of costs

Evidenced Refurbishment funds

#### **Limited Companies**

In addition to all of the requirements for individuals, we require the following: -

Memorandum & Articles of Association

Certificate of Incorporation

Personal Guarantees of all directors and 20%+ shareholders

A&L statement for company (in addition to individuals)

Company Search

Last 3 Months Company Bank Statements (originals or certified as true copy)

Limited Company Application Form

We will require a Debenture over the company, which the client's solicitors will arrange.

**NB. As funding for the BTL is committed, if clients elect not take the BTL element they will be charged the appropriate BTL arrangement fee in lieu of a redemption penalty.**



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