



Proplend Annual Review

Borrower: Avondale Estates Limited		Date: 12/11/2015	
Loan Number: PLL0104 / PROP00092		Next Review Date: 20/10/2016	
LTV Covenant – 70%	LTV Actual – 60%	ICR Covenant – 1.0x	ICR Actual – 1.25x

Interest Payments:

On time and up to date.

Covenant Compliance (Any Deteriorating Factors?):

Covenant Compliant.

The Borrower confirmed that there have been 3 changes to the tenancy schedule. Those changes include:

- 4 Jacobs Court – New tenant as of 15-05-15. Monthly rent remains the same.
- 5 Jacobs Court – New tenant as of 18-08-15. Monthly rent increased from £850 to £925.
- 7 Woodland Corner – New tenant as of 13-08-15. Monthly rent increased from £525 to £575.

Annual rental income increased 3% from £47,820 in 2014 to £49,320 in 2015.

£49,320 Rent / £39,325 Interest = 1.25x Interest Cover (1.0x Covenant)

£660,000 Loan / £1,100,000 Value = 60% LTV (70% Covenant)

Given UK residential market research by Savills and Knight Frank, maintaining the May 2014 value is a conservative approach, as the research suggest that Yorkshire and Humber has on average seen a 3% increase in value in 2015. In addition, average rents across the UK rose 2.5%, which is further supported by the 3% rise in income at the subject properties.

We have requested a further confirmation of value from the valuer, Connells, and are awaiting a response.

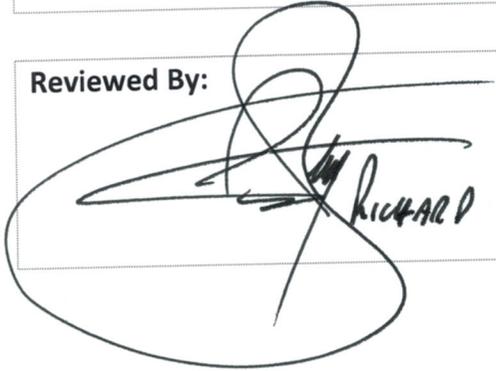
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Exit Strategy:

Maturity Date 20/10/2017

The exit strategy remains the same, which is that in 2017, two or three of the properties will be sold to repay the loan whilst the remaining properties will be kept as investments.

Reviewed By:

 RICHARD BEAKLEY 3/12/15

BAK
3.12.15
Julie Partridge
3.12.15