



Proplend Loan Request

Date	21st September 2017
Property Name	Albany House – High Wycombe
Property Description (Short)	A 42,000 sq.ft. warehouse leased to a storage company



Loan Request Summary

Borrower	A property investment company	Valuation	£2,500,000
Loan Type	Commercial Investment	Total Loan Required	£780,000
Purchase/Refinance	Capital raising	Loan to value (LTV)	31%
Property Asset Class	B8 - Warehousing	Whole loan blended interest rate p/a	7%
SIPP	Suitable for a SIPP		
Current Property Income	£240,000 p.a.	Rental Value	£210,000 p.a.

Borrowers Loan Requirement

Tranche	Risk	LTV	Loan Amount	Gross Interest Rate p.a.	Interest Cover	Loan Term
C	Higher	66-75%	£ ---	---		
B	Medium	51-65%	£			
A	Lower	0-50%	£ 780,000	7%	4.4x	12 months
Total			£ 780,000	7%	4.4x	12 Months

OVERVIEW

Borrower

- The Borrower is an established investment company that owns six commercial properties (including the Subject Property) with an aggregate value of £15.5 Million.
- The total rental income to the Borrower is £840,000 p.a.
- The total current borrowings of the Borrower are £840,502 producing a value of some £14.6 Million
- The Principal also has a residential portfolio with an equity of approx. £6.5 Million.
- The Borrower has been classified as a very low risk by reference agency Credit safe.

Property

- The Subject Property is predominately a four-storey, Victorian building to which a more modern block was added in the 1960's
- The total gross floor area is 42,000 sq.ft.
- The Property has been fitting out to provide 26,900 sq.ft. of self-storage facility, including two commercial lifts, at a cost of £1.25 Million
- The Property is let to a self-storage company on a 10-year FR&I lease at a rent of £240,000 p.a.
- The Tenant has been trading since 2007 and has been graded as very low risk by

reference agent Creditsafe

- The Borrower and Tenant have a common Directorship and ownership.
- The Property is valued as an investment at £2.5 Million.

Loan Request

- The proposed Borrower wishes to raise a net sum of £750,000 (after all charges and interest retentions).
- The monies will be used to purchase land to the rear of the Subject Property for £800,000.
- The loan will be repaid from sale proceeds of another site which is being sold in 2018 for £2.3 Million.
- The loan is required for a 12-month period and there will be a 2% early repayment penalty if it is repaid within the first three months of the loan term.
- Interest on the proposed loan will be 7% p.a. equating to £54,600 p.a.
- The rental income of £240,000 p.a. from the Subject Property covers the interest 4.4x

Security

- The Loan will be supported by a first legal charge over the Subject Property.
- Proplend Security Limited will hold a floating charge over the Assets & Undertaking of the Borrower.
- Director's personal Guarantee from the Director for 10% of the loan sum
- Proplend will retain 3 months interest from the Loan.

Loan Tranches

- Tranche A, comprising £780,000, will attract gross interest of 7% p.a.
- Lenders are offered the opportunity to lend with minimum loan amounts of £1,000 on a 'first come first lend' basis.