

Private and Confidential.

The information contained in this document is solely for the reader and is not to be disclosed to any third parties or in any way republished on any third party forums. Any Lender doing so will be in breach of clause 17.2 of the Proplend Members Agreement.

FLR: Croydon & Wembley - D1 - Cultural Centres

Main Site:	Muththumari Amman Temple, 128 Aurelia Road Croydon CR0 3BF; London Nadarajar Temple, 3C, 11 & 13B Ranelagh Road, Wembley HA0 4TW
Date:	13 August 2019
Asset Description:	2 x commercial properties in Croydon and Wembley currently being used as Hindu temples with future development potential



Deal Summary

Loan Type	Commercial Bridge	Borrower Profile	UK Registered Charity
SIPP Classification	SIPP Ineligible	Loan Purpose	Capital raise and purchase

Property Summary

Market Value	£2,300,000	Property Income	£0
Vacant Possession Value	£2,300,000	Market Rental Value	£0
Purchase Price	£1,800,000	Purchase Type	Open Market
Tenure	Freehold	Asset Class	Commercial
EPC Rating (min. E)	E - Croydon; TBC - Wembley		

Loan Summary

Total Loan Required	£1,400,000	Loan to Value (LTV)	60.87%
Rate of Interest	12%	Interest Cover	0x
Loan Term	6 months	Interest Expense (p.a.)	£168,000

Tranche	Risk	LTV	Loan Amount	Gross Interest	Net Interest	Interest Cover
B	Medium	51-65%	£250,000	15.45%	13.91%	0x
A	Low	0-50%	£1,150,000	11.25%	10.13%	0x

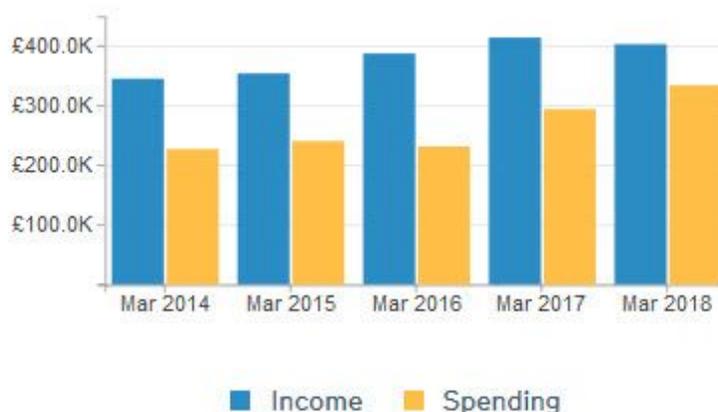
Borrower Details

Name	SIVAYOGAM (Registered Charity No 1050398)
Registration	Trust
Main Business Activity	Hindu temples in Croydon and Wembley. The objectives of the Trust is to both advance the Hindu (Saiva) religion and education of the public in the Hindu (Saiva) culture, provide recreational facilities and relief of poverty, hardship and distress
Ownership Structure	The Sivayogam Trust was registered with the Charity Commissioners in November 1995 under registration number 1050398. The Declaration of Trust provides for at least three and no more than five trustees

Applicant Details

Name	Sivayogam (Charity No. 1050398)
Age	Trustees: <ul style="list-style-type: none"> - Mr Nimalan Seevaratnam - 50 years old (trustee since 2010) - Mr Sanmugarajah Tanarajah - 63 years old (trustee since 2011) - Miss Ambihai Seevaratnam - 52 years old (trustee since 2012) - Mr Gananathan Arunasalam - 46 years old (trustee since 2018) - Mr Jeyakanthan Saravanamuthu - 60 years old (trustee since July 2019)
Experience	The charity has owned and operated the Wembley site since 2005. They exchanged on the Croydon site 2 years ago with a long dated completion.
Additional Information	The charity was setup in November 1995. As at March 2018, income for the charity was £403k from donations and letting the space for events with expenses of £334k

Financial history



Loan Details

Loan Purpose	Capital raise and purchase We have been approached to provide funding for a capital raise (Wembley) and towards the acquisition of the freehold of the property in Croydon The gross loan equates to a relatively low LTV of 60.87%
---------------------	---

The market value for both properties is based on vacant possession in the absence of a formal lease.

Gross Loan Amount	£1,400,000
LTV	60.87%
ICR	0x
Serviceability	Monthly interest payments will be taken from the 9 month reserve held by Proplend
Interest reserve	Proplend will retain £126,000 (9 months interest) from the gross loan amount which will be held on account. The balance of the Interest Reserve will be applied to the repayment of principal at the end of the loan term.
Early Repayment	2% first 3 months

Existing Facility

Lender	N/A	Expiry	N/A
Value	£N/A	Status	N/A
Rate	N/A%		

Existing Facility Description	The Wembley property is currently unencumbered
--------------------------------------	--

Strategy During Loan Term

The Trustees intend on retaining both assets as long term investments, running and maintaining both temples through donations

Property Details

Wembley

Purchased in 2005, the property is located in an established residential area. The surrounding area encompasses a mixture of flats, semi/detached houses. The site is flanked by a development of flats and 1950s 2/3 storey housing.

There are a range of retail facilities in close proximity.

The site currently comprises a Hindu temple with secondary shrine and ancillary storage areas. At the rear of the site is a brick building of considerable age which has been sub-divided to provide male and female WCs and a mixture of storage and other ancillary accommodation including a bathroom. There is also a pre-fabricated building providing a kitchen. The former workshop/garage has been converted to provide a mixture of ground floor storage accommodation, kitchen and bathroom.

The site has potential for conversion to residential, subject to planning application.

Croydon

Sivayogam moved into the subject property in Feb 2017. The site forms part of a larger industrial area. The building was constructed in the 1950s with brick walls and A frame steel roofs. The majority in single storey, with two storeys to an accommodation block, part of which has been converted to a Hindu temple. The remainder is used as ancillary storage and residential purposes related to the temple.

Established terraced housing is situated opposite. A gated entrance to the rear yard provides around 25 car parking spaces.

Since occupying the property, accommodation for seven priests/religious workers has been completed. Darnton B3 were appointed by the Trust to design and construct a new temple and other facilities. Consent to the works have been provided by London Borough of Croydon



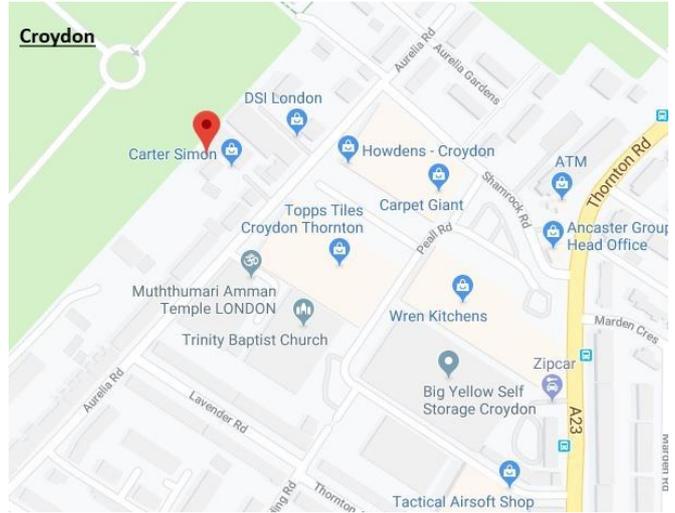
Location Report

Wembley

Wembley Central (Bakerloo/Overground lines), Wembley Stadium mainline, and Alperton (Piccadilly line) are within walking distance from the property. There are road connections via the A40 and A406 (approximately 2 miles to the South East) with the M1

Croydon

The property is located in a mixed industrial and residential area, lying approximately one mile north west of Croydon town centre with a good range of retail, leisure, healthcare and educational facilities within reach. There are good rail services from Croydon to central London and other destinations, with good road networks via the A23 to the M25



Tenant Details

Tenant	Owner Occupied	Activity	N/A
Lease Type	N/A	Lease Start Date	N/A
Months to Lease Break	N/A	Months to Lease End	N/A
Contracted Rent (£ p.a.)	N/A	Occupation Level (%)	N/A
Lease arrangement	Not Applicable		
Tenant strength	Not Applicable		

Security

Main Site	First Legal Charge	Debenture	Debenture Required
Share Charge	Not applicable	Property Insurance	PSL Interest to be Noted on Completion
Personal Guarantee	Not Applicable		

Exit Strategy

We have had sight of Heads of Terms from a high street lender

Covenants

LTV Covenant	70%	ICR Covenant	N/A
---------------------	-----	---------------------	-----

Fees

Arrangement Fee	2%	Broker Fee	2.5%
Proplend Exit Fee	1%		

Valuation

A valuation of the properties was carried out by Fairweathers on 18th and 19th December 2018, copies of which can be seen in the supporting documents. The valuation concludes the following:

Market Value: £2,300,000
Vacant Possession Value: £2,300,000
Open Market Rental Value: £0

Due to the requirement for a quick completion, we have agreed to accept the existing valuations even though they are 8 months old. We retain the right to call for an updated valuation at any point during the term of the loan. The market value in total for both properties would have to fall by c. 40% for full redemption to be at risk. It should be noted and as highlighted in both valuation reports, there are a lack of properties with D1 permission

Report on Title

A Report on Title will be supplied by Enact acting on behalf of Proplend Security Ltd, and it's comments thereon can be viewed under documents.

Lender Risks	Mitigant	Risk Level
--------------	----------	------------

Risk that the management of the Borrower is not able to execute their business plan.

The charity has been in existence since 1995. With regards to the Croydon property, consent has already been granted to make alterations to the property

Medium

Risk that the Borrower stops making monthly interest payments to Lenders due to loss of lease income and or tenants whose leases had ended, had exercised a lease break or have gone into receivership.

The loan is for 6 months. Interest equivalent to 9 months will be held on account from where monthly payments will be made

Low

Risk that the Borrower is unable to repay the loan principal at the end of the loan term because they have not been able to sell or re-finance the property.

Repayment will occur by way of refinance with another lender. The intermediary already has heads of terms from one lender and also actively approaching others

Medium

Risk that the Property falls in value due to either macroeconomic or property specific reasons

The combined property values would have to fall by c.40% before there is risk of full redemption

Medium

Conditions Precedent

The following actions have been completed prior to credit approval:

- Satisfactory AML/KYC checks in respect of the Borrowers / Directors / Shareholders
- Clear credit searches against the Directors / Shareholders
- Formal, independent valuation addressed to Proplend Security Limited by a RICS qualified valuer confirming market value of the property.
- Satisfactory completion of all stated security requirements / Report on Title.
- Adequate insurance cover with Proplend Security Limited named as First Loss Payee
- Proplend Ltd diligence to be satisfied that interest payments can be serviced
- Loan to value not to exceed 75% on draw down

Documents

The following documents are available to download via the Loan Request screen:

- A Draft Standard Loan Contract
- The Report On Title and Lettings Report produced by Enact
- A copy of the Valuation Report

Next Steps

If you are interested in participating in this Loan Request and are already fully registered with Proplend then:

Log in to your Proplend Lenders Account, go to Loan Investments

If the Loan Investment is In Funding, pick the Tranche you wish to lend into and click Lend Now. You will be required to enter the loan amount twice and then Lend Now. You then have the option to Lend again into a different Tranche if you wish. A copy of the Loan contract signed by you will appear in the Waiting to Close screen in your Lender Dashboard. When all the Loan Tranches are 100% filled, the Borrower will be invited to sign the Loan Contracts and the final Security documentation will be completed by Proplend Security Limited before drawing down the loan. This may take up to 10 days from 100% funding and you will be kept informed.

If you have any questions, please call us on 0203 397 8290

PROPLEND DISCLAIMER - PLEASE NOTE:

The information provided in this Loan Request is provided solely by the applicant and not Proplend Ltd ("Proplend") or Proplend Security Limited ("PSL"). Neither Proplend nor PSL has verified or audited the information in the Loan Request or the Loan Request itself; and the publication of the Loan Request by the applicant on the Service Website does not constitute any approval, endorsement or representation by Proplend or PSL in relation to the Loan Request. Neither Proplend nor PSL provides any warranty, representation or undertaking as to the accuracy, timeliness or reliability of the information in the Loan Request or that the Loan Request or any Due Diligence Material accurately reflects the risks associated with the Loan Request; nor does Proplend or PSL make any recommendation or give any advice of any kind in relation to the Loan Request. Expected bad debt estimates are estimates for general guidance only and neither Proplend nor PSL warrant their accuracy or reliability. Lenders should seek their own independent legal, financial, tax or other advice before lending. Capital at risk.