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# Annual Review: Isle of Thanet Mixed Portfolio

<b>Main Site:</b>	29 Albion Street, Broadstairs, Kent, CT10 1LX 4, 6 & 8 Fort Hill, Margate, CT9 1HD 5 & 6 Mansion Street, Margate, CT9 1HE 3-5 King Street, Margate, CT9 1DD Flats 3 & 5, 3 King Street, Margate, CT9 1DD
<b>Borrower:</b>	G E Bowra Group Limited
<b>Loan Number:</b>	BORR1259
<b>Report Date:</b>	9/2/2022
<b>Next Review Date:</b>	22/10/2022



## Loan Update

Rental income of the above properties has increased by £15,638.00 since the loan was drawn down, from £113,472 in Autumn 2019, to £129,110 p.a. now.

This increase is comprised of;

Serena Lowman in 4 Broad Street was paying £7,800 p.a. and is now paying £12,260 p.a.

Jayne Olive is a new tenant in 4a Broad Street (previously vacant), paying £10,000 p.a. on AST

SLD Restaurants in 29 Albion Street were paying £14,532 p.a. and are now paying £15,110 p.a.

Allen & McGhee in the flat above 3 King Street were paying £8,400 p.a. and are now paying £9,000 p.a.

## Covenant Compliance

The LTV at origination was 68% with LTV covenant of 75%. A revaluation is not required.

The ICR at origination was 1.30x with a covenant of 1.25x. With the increased rentals as described above, the ICR has now improved to 1.56x.

## Interest Payments

All interest payments are up-to-date, and are always been made in a timely manner.

## Exit Strategy

The Property remains a long-term investment for the Borrower, as with all of their properties. The Borrower will redeem this loan in full, by refinancing at more competitive terms with either a high street lender or challenger bank. We may also wish to consider offering a second loan.

## Loan Summary

<b>Total Loan Required</b>	£1,176,400	<b>Loan to Value (LTV)</b>	68%
<b>Blended Interest Rate</b>	7.42%	<b>Interest Cover</b>	1.30x
<b>Loan Term</b>	48 months	<b>Interest Expense (p.a.)</b>	£87,289

Tranche	Risk	LTV	Loan Amount	Interest Rate	Interest Cover
C	High	66-75%	£51,900	10.02%	1.30x
B	Medium	51-65%	£259,500	8.30%	1.38x
A	Low	0-50%	£865,000	7.00%	1.87x

## Covenants

<b>LTV Covenant</b>	70%	<b>ICR Covenant</b>	1.25x
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## Security

<b>Main Site</b>	First Legal Charge	<b>Debenture</b>	Debenture Not Required
<b>Share Charge</b>	Share Charge Not Required	<b>Property Insurance</b>	PSL Interest to be Noted on Completion
<b>Personal Guarantee</b>	Joint and Several Guarantee from the Directors and Shareholders of G E Bowra Group Limited for the sum of £235,280		

## Valuation

A valuation of the property was carried out by Pinders on 6th September 2019, a copy of which can be seen in the supporting documents. The valuation concludes the following:

Market Value: £1,730,000  
Vacant Possession Value: £1,200,000  
Open Market Rental Value: £111,000

## Relationship Manager Recommendation

This Borrower is a strong Property professional, who has continued to perform across all three loans with Proplend. I would like to do more business with this Borrower, if mutually beneficial. Recommend the loan is allowed to continue.