

Key features

	Unregulated Commercial Term
Suitable properties	Let commercial investment properties located in mainland UK
Exclusions	Owner-occupied and owner-operated properties
Term	2-5 years
Interest	5.5% pa fixed for the duration of the loan
Amortisation	Nil – interest only
Loan size	£0.5m – £2m
Loan to Value (LTV)	Maximum 65%
Arrangement Fee	1.5% – 2.0% of the gross loan amount
Broker Commission	0.5% below the arrangement fee
Interest Cover Ratio (ICR)	Minimum of 1.0x for the duration of the loan
Repayments	Up to 10% repayment permitted each year without triggering ERCs
Early Repayment Charges	Months 1-24: charged at 0.8% pcm (calculated daily on repaid amount)
Personal Guarantees	Personal guarantees at 55% LTV or higher, capped at 10% of the property value
LTV Covenant	A material drop in the value of the Property



The big print

- We will consider all types of let commercial investment properties across the UK except owner-occupied and owner-operated properties
- This is a fixed term product for which we calculate and charge interest on a daily basis
- When we come to value the property we will use a valuer and valuation methodology appropriate for the type of asset that we are lending on

The interesting stuff

- **Interest-only:** Interest only allows the borrower to retain surplus income; a key customer motive for holding investment property.
- **Fixed interest for duration of loan:** Irrespective of what happens to LIBOR or Base Rates, borrowers' interest payments don't change.
- **No ERCs after two years:** By imposing ERCs for two years only, we allow the customer complete freedom to sell or refinance their asset thereafter.
- **1.0 ICR Covenant:** Based on net rental income and throughout the facility term
- **Payment holiday available:** This option is available should there be breaks or expiries during the facility term

How to apply

Fill out the Enquiry Form online at [octopusproperty.com](https://www.octopusproperty.com)

We will review your enquiry and revert to discuss our loan proposal

 0800 294 6850

 sales@octopusproperty.com

 33 Holborn, London, EC1N 2HT

 [octopusproperty.com](https://www.octopusproperty.com)

Questions?

Want to know more? We're here to help.

 **0800 294 6850**

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