

ALL LATEST LENDING PRODUCTS *(February 2022)*

For: Larger Developers with interest in UK/Europe

PRODUCT GUIDE KEY

-  Senior Debt / Mezz only
-  Equity / Private Lender only
-  Mid-Range Developers
-  Large Developers
-  Outside UK
-  Working Capital
-  Other Initiatives



Funding Product 2:

For good Contractors who can achieve 10%+ profit on build out:

Forward Funding of Residential Housing Projects

We are working with a major investment fund that wishes to retain within their portfolio newly built housing stock which is rented out to single family units.

The ideal project profile is:

- Minimum 40 units
- Preferably 100+ units
- 2/3 bed houses
- Low rise 1 or 2 bed apartments
- Near transport hub and employment
- Will look at sites that have stuck around for a while needing a re-think
- Solid location for rental but maybe not ideal for selling.

The procedure is:

The investment fund will buy the land off the developer or landowner

The investment fund enters into a J.C.T contract with the developer to build out the units.

The advantages to the developer:

- Security of income
- Guaranteed profit margin
- No finance costs or marketing cost



Funding Product 4:

For major Developers working on large projects:

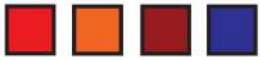
European Fund for Debt & Mezzanine

Lending in: ***UK, Italy, Poland, Holland, Spain & Germany***

- Minimum loan €10million
- Maximum loan €50million
- Minimum term is 2 years
- Maximum term is 7 years
- Will lend up to 75% to 80% loan to value
- Interest rates from 3.5% to 10%

All sectors considered except healthcare.

Particularly like hotels, student accommodation, office blocks, shopping centre, hypermarkets and refurbishment schemes.



Funding Product 7:

Ideal for well-established commercial property Developers who wish to expand without using their own capital:

Forward Funding - To Buy the Land and "Build to Suit"

We are pleased to confirm that we are working with a fund that has circa €1billion to deploy on the following basis:

Sectors:

- Supermarkets
- Nursing Homes
- Warehousing/Logistics.

Criteria

- The asset should have a long lease to a single tenant
- Speculative land purchase only where warehousing/logistics is involved
- Minimum ticket size: €20million
- Maximum ticket size: None
- Location - Throughout Europe as far East as Lithuania.

Investment Sample:

- A Sainsburys in Scotland
- A Co-operative in Denmark
- An Amazon warehouse in Poland.

Finally, as an example, if you have a client who is a Nursing home operator who wishes to expand and operate only a further 6 new builds
(i.e. no interest in owning the bricks and mortar)
subject to the strength of the tenant/operator, this fund will forward fund the build out and retain the asset for the long term yield.



Funding Product 8:

Ideal for trading businesses who have or are about to experience a business changing event:

A Unique Lender Providing Unique Facilities

We are working with an American Hedge Fund with \$36 billion Assets Under Management. This fund has a philosophy of structuring a funding facility to suit the needs of the SME client.

The profile of such facilities is outlined below:

- Minimum loan £5million
- Maximum loan £250million
- Maximum term for 5 years
- Interest rate range from 3% per annum to 7% per annum
- Interest only facility available

Typical security required are:

- Receivables/Debtors
- Inventory/Stock
- Plant & Machinery
- Real Estate
- No asset class mix restrictions
- All SME sectors considered
- Additional cash-flow lends considered
- SME's located in U.K, Europe, Scandinavia and North America
- Funding Situations
- Mergers and Acquisitions
- Refinance to release capital
- Turnaround/Restructuring/Insolvency
- Special Situations
- Event/Change Driven Scenarios
- Bridging back to stable position
- Shortfall with current borrowing.

Examples of SME's assisted are as follows:

A major import/wholesaler was in trouble due to Covid.

There was a requirement for flexibility in relation to the receivables/debtors facility because some customers would not pay until 200 days had lapsed.

The fund created a unique facility concerning the debtors as well as providing a revolving credit facility secured by the inventory/stock in the warehouses situated in the USA, U.K and Europe.

A management team wished to buy out the owners of the company.

This funder provided a flexible facility secured upon the debtors, the stock, the plant and machinery and the building.

In addition to this a term loan facility based upon the EBITDA of the business.

A 2 year term was provided, secured upon a portfolio of hospitality businesses

In order to free up capital for the SME to refurbish the properties with the intention of refinancing after 2 years by way of a more traditional term loan.



Funding Product 9:

Ideal for well-established Developers of large projects who wish to grow quickly:

Forward Funding Throughout Western Europe

We are now working with a specialist investment fund that is focused upon the following sectors:

- Student Accommodation (200 beds plus)
- Build to Rent (150 to 250 units)
- Social Housing (especially overseas)
- Co-living
- Housing Estates to build and then rent out. These will be single family units.
Minimum number per project is 100 units and the maximum number is 600 to 700 units
- Senior Living.

The geographical locations for the above projects include:

- U.K and Ireland
- Nordic Areas
- Netherlands
- Germany
- Spain
- Portugal.

As the investment fund will finance a project by way of a forward fund structure, the investment fund will enter into a Development Management Agreement with the developer client.

*****Please note that the fund will not engage until a project has detailed planning permission.***



Funding Product 11:
Ideal for more experienced Developers:

Singaporean Private Equity Fund

With reference to the above, I can confirm that I am now working with a Singaporean Private Equity Fund that is focused upon the following sectors:

- PBSA
- PRS
- Co Living
- Senior Living.

They are already investing in the U.K and currently operate PBSA projects in:

- Edinburgh (274 beds)
- Sheffield (284 beds)
- Nottingham (300 beds).

Their ideal project size is:

- PBSA 300 to 500 beds
- PRS 200 to 300 units.

They like to deploy capital early on in the project life-cycle and they are not averse to taking planning risk.

Therefore their capital is involved at the following stages:

- Land Purchase
- Planning
- Build Out
- Retain for 2 to 3 years to stabilise the asset
- Sell On.

The fund will deploy their capital day 1 to purchase the land etc and then arrange senior debt for the construction funding.

They prefer to work with joint venture partners who are experienced developers or contractor/developers.

They are looking to build relationships with new partners on the basis that several projects can be built out over the next 3 to 5 years. As already stated, the fund prefers to maximise the project yield by retaining the asset for 2 to 3 years during which time the asset will stabilise before selling on into the institutional market. If the fund's joint venture partner wishes to be bought out after 2 years e.g on project completion, then this is also possible.

In turning to the level of investment into a joint venture partnership, please note:

- For the first project with a new joint venture partner, the fund would want the partner to invest 25% of project costs as a minimum contribution.
- Once the relationship is established, the fund is happy to invest up to 90% of all costs and the joint venture partner invests only 10% of project costs.

Finally, with respect to return on capital, I can confirm that the fund is looking for an I.R.R of 18% over a 2 to 3 year period.



Funding Product 12:
Ideal for very experienced Developers:

European Investment Fund

We are working with a very active investment company who continue to invest in a wide range of sectors. Within the U.K they are just about to embark upon a retirement living project in a joint venture with a well established contractor. They have recently embarked upon a Mixed Use development in the North of England and this project includes both residential and leisure facilities. Finally, they have just completed an office to hotel conversion scheme in Portugal.

	PORTFOLIO	OFFICE	RETAIL	RESIDENTIAL
Type of Investments	* Core, Core+, Value-Add	* Core, Core+, Value-Add	* Core, Core+, Value-Add	* Core, Core+, Value-Add
Size of Investment	* Up to 1 bn€	* 10 m € or more	* 10 m € or more	* 10 m € or more
Markets	*National and Pan Europe-an portfolio is established European markets * All assets classes mentioned in this profile	* Germany: "Big7" Cities, Class A and Class B Cities * United Kingdom & Ireland: Capitals, Class A Cities * Netherlands: Capital, Class A Cities * Luxembourg :Capital * France & Belgium: Capitals, Class A Cities, B Cities, qualified Locations * Switzerland: Capital * Nordics: Capitals, Class A Cities * Spain & Portugal: Capitals, metro areas * Central and Eastern Europe: Prague, Warsaw, Krakow		
Location Quality	*CBD and other established areas	* CBD and other established office areas	*Excellent demographic and common retail site selection criteria and retail-relevant key figures	*Economically robust locations * Established locations with sound infrastructure
Asset Quality	* Standard and modern buildings * Portfolio may include development	* Grade A office buildings * Properties requiring refurbishment and/or redevelopment * Development optional * Land	* Modern Properties of high quality * Properties requiring refurbishment optional * Retail warehouse, parks/local local convenience centres * Developments optional	* Existing buildings * Properties requiring refurbishment and/or redevelopment * Development optional * Land
Leases and Tenant Quality	* High occupancy rate * Long-term contracts	* High letting potential * Multi-tenant or single tenant * WALT > 5 years	* Multi-tenant * High-net-worth multiples * WALT > 5 years	* High occupancy rate
Soft Criteria	* Purely residential and commercial portfolios or mixed portfolios * Assets and share deals possible	* Single case investment above 120m € also possible * Existing schemes and planned projects (turnkey) * High-end properties with sustainable and stable earnings position * Eligible for mixed use (offices retail, residential) * Asset and share deals possible	* Inner city business properties, predominantly retail use, retail warehouses * Other use types (office/residential) up to 20% * No structural vacancy * Asset and share deals possible	* No operator-run real estates * No socially distressed areas * Assets and share deals possible * No residual portfolios from prior privatisation drives
Value Add Criteria	* Existing properties with a short-to medium-term value-add potential or development potential (e.g. conversions, subsequent densification, structural alterations, financial distress, poorly managed properties, among other options)			
	* WALT < 3 years			* Preferably financed or rent control < 3 years

	HOTELS	CARE	LOGISTICS	REAL ESTATE DEVELOPMENTS
Type of Investments	* Core	* Core	* Core, Core+, Value-Add	* Opportunistic, Value-Add
Size of Investment	* 10 m € or more	* 8 m € or more	* 10 m € or more	* 35 m € or more (GDV)
Markets	<ul style="list-style-type: none"> * Germany: "Big7" Cities, Class A and Class B Cities * United Kingdom & Ireland: Capitals, Class A Cities * Netherlands: Capital, Class A Cities * Luxembourg :Capital * France & Belgium: Capitals, Class A Cities, B Cities, qualified Locations * Switzerland: Capital * Nordics: Capitals, Class A Cities * Spain & Portugal: Capitals, metro areas 	<ul style="list-style-type: none"> *Germany: Cities in metropolitan "gray belt" major cities and cities with populations of 15,000 or more 	<ul style="list-style-type: none"> * Pan-European, with main focus on the United Kingdom, France, Germany, Poland, the Netherlands, Belgium, Spain, Italy, the Nordics, the Czech Republic and Hungary 	<ul style="list-style-type: none"> * Germany: "Big7" Cities, Class A and B Cities
Location Quality	<ul style="list-style-type: none"> * Inner city and established hotel locations 	<ul style="list-style-type: none"> * Established locations with sound infrastructure and positive social, demographic and economic conditions 	<ul style="list-style-type: none"> * Metro regions * In-fill locations in established urban areas * Airport, ports 	<ul style="list-style-type: none"> * Economically robust locations * Established locations with sound infrastructure
Asset Quality	<ul style="list-style-type: none"> * 2-4 star category/business hotels * Treugast hotels rating: higher than A * Developments possible 	<ul style="list-style-type: none"> * Modern buildings * Development optional 	<ul style="list-style-type: none"> * Modern conventional logistics buildings * Parcel delivery centres or cross-docking warehouses * Modern distribution buildings with ambient air cooling/air-conditioning 	<ul style="list-style-type: none"> * Developed and undeveloped land * Commercial/residential buildings with potentials for development * Land development
Leases and Tenant Quality	<ul style="list-style-type: none"> * Lease-hold agreement of 15 years or more (no management contracts) with high-net-worth operator group * No flying freehold, no ground lease 	<ul style="list-style-type: none"> * At least 80% occupancy * Lease term of 20-25 years * 80-150 care places 	<ul style="list-style-type: none"> * Income producing 3 years * Re-letting opportunity involving high vacancy 	<ul style="list-style-type: none"> * Short-term contracts at existing buildings
Soft Criteria	<ul style="list-style-type: none"> * High-end, up-to-date hotel schemes * Assets and share deals possible 	<ul style="list-style-type: none"> * Property services life to date: less than 15 years * No flying freehold, no ground lease * Asset and share deals possible 	<ul style="list-style-type: none"> * Cooperation with local developers on a given market or submarket, and with local partners for greenfield/brown field developments 	<ul style="list-style-type: none"> * Main focus: Residential * Eligible for mixed use (office, retail, hotel) * Asset and share deals possible
Value Add Criteria	short remaining lease lifetimes, high void rates, maintenance backlog,			



Funding Product 14:

Ideal for established Hotels that wish to expand / Hotelier with new build that requires refinancing / Hotelier that needs restructuring:

Hospitality & Hotels Fund

We are now working with a specialist fund that focuses on the **Hospitality** sector *eg. Hotels, Leisure, etc.*

The Fund offers the following facilities:

- Debt by way of term loans
- Three year stabilisation facilities
- Equity
- The fund will also acquire venues.

The minimum advance is £10 million and the maximum advance is £500 million.

The geographical areas of interest are:

- UK
- Ireland
- Spain
- Greece
- US
- Caribbean

Other main European jurisdictions can be considered on a selective basis.

- They can fund up to 100%.
- The fund does not have a rigid criteria apart from proof of serviceability.
- The fund will support a client buying hotels to refurbish, operate, create a group before selling on the group.
- The fund will provide up to 36 months as a stabilisation facility for the newly built hotel to get accounts together to refinance.



Funding Product 17:

For experienced Developers with a good track record requiring a new funding partner:

Large Scale Development Finance Fund – UK & Europe

We are working with a Specialist Fund that is just moving into Development Finance.

Their parameters are:

- UK and Europe
- Residential Development & Logistics Development
- Minimum loan €20 million and maximum €120 million
- Interest rate of 5.5%
- 75% loan to costs although this can be stretched for the right deal as the fund is motivated by IRR
- Arrangement fees of 1% and 1% out.



Funding Product 18:

For very experienced Developers & Project Managers who can build out a large project but have insufficient capital:

Sovereign Wealth Fund for Large Property Development Projects

We are working with a fund that will:

- Advance from €200 million to €750 million.
- Available throughout the UK and Europe.
- Equity can be considered for an appropriate Developer & Project.
- All property sectors considered including Hospitality, *ie Hotel Development Projects.*



Funding Product 19:
Ideal for a Landowner:

Logistics Sector Funding – All of the UK

We are looking to work with Landowners where we can use the following facilities to release the true value of the landowners' land.

The logistics sector is very strong at the moment.

Subsequently, we have created various initiatives which are as follows:

Joint Venture:

We have several parties who are willing to enter into a JV partnership to assist with the funding package to Build Out Logistics Projects.

Such parties include:

- Medium size but well capitalised contractors.
- High net worth individuals
- Assets Under Management Funds

The range of funding available is from £2 million to £150 million.

Forward Funding:

On the assumption that the project to be Built Out is Pre-Sold or Pre-Let, -

Institutional Funds will:

- Buy the land
- Enter into a Development Management Agreement with the Developer to Build Out the project
- Pay the Developer to Build Out the project.
- On completion of the project, the Forward Funder will retain the asset as a long term investment.

This facility De-risks the project for the Developer



Funding Product 20:

Ideal for a Developer who has completed a couple of projects and wishes to expand rapidly:

Equity Funding for Development Projects - All of the UK & Europe

We are working with a major **Assets Under Management Fund** that is able to provide the following:

- Equity Funding for Development Projects
- The usual facility is for £200 million

The areas of interest are:

- Student accommodation
- Co Living
- Retirement Living
- Hospitality
- Logistics

Geographically anywhere in the UK and Europe.

Please Note:

***This is Equity Only** and therefore the Senior Debt has to be *arranged (which we can assist with)*.

*The Fund is **not** interested in Residential Development



Funding Product 21:

Ideal for experienced Developers & Project Managers who can build out a medium to large project but have insufficient Capital:

Development Projects - All of the UK & Europe

We are now engaged with a major fund that will provide:

Debt:

- Senior Debt for Development projects from £40 million to £300 million
- 75% loan to costs
- Interest rate of BBR+5%
- 36 Month Term
- All Asset Sectors considered
- UK & Europe.

OR

Equity:

- £30 million to £300 million
- Profit share to be agreed
- All property sectors
- UK & Europe



Funding Product 22:
For Quality / Experienced larger Developers:

Development Projects - *All of the UK & Europe*

Interest rate offered on this product is very competitive and the lender will provide a flexible stabilisation facility after project completion, for up to 7 years:

- Senior Debt
- 65% Loan to Cost (LTC)
- Minimum loan of £20 million
- Maximum loan of £150 million
- Interest rate of BBR+3.5%
- Development and term loans
- Stabilisation period of 3 - 7 years before a sale or refinance

Asset Sectors:

- Residential Development
- Student Accommodation
- PRS
- Co Living
- Healthcare
- Logistics
- Hotels in about 4 month's time due to the impact of Covid



Funding Product 24:
Ideal for Developers who are both experienced and have a healthy pipeline:

Development Projects: Throughout the UK

We are now engaged with a Major Fund that will provide:

DEBT

- Senior debt for development projects from £20million to £150million
- 75% to 85% loan to costs
- Interest rate 8%
- Developer contribution to project cost, can be by way of planning gain increase in value
- All asset sectors considered
- UK only

And

EQUITY

- £20million to £100million
- Deployed over 24 months
- Return on capital required is mid- teens i.e. 15% to 16%



Funding Product 28:

Ideal for Business Owners, Property Developers & Property Investors in Spain:

Lending in: Spain/Holland/Germany

We are working with a Flexible Lender who will provide the following facilities:

Bridging Finance

- Minimum Loan €1million
- Maximum Loan €20million
- Maximum LTV 65%
- Purpose of the loan- Acquisition, Refinance or Releasing Equity
- Asset Sectors- Residential and Commercial Assets
- Interest Rate- 0.65% per month
- The asset must be held in a Luxembourg or UK company.

Development Finance

- Minimum Loan €1million
- Maximum Loan €20million
- Maximum LTGDV 65%
- Purpose of the loan- Ground up, conversion or refurbish
- Asset sectors- Residential and Commercial
- Interest rate- 0.70% to 0.76%
- The SPV and asset must be within a Luxembourg or UK company

Please note this lender will also fund in Holland and Germany.



Funding Product 30:

Ideal for Major Developers & Investors as well as Owner/Occupier:

Major Project Funding throughout UK, Western Europe & US

Sovereign Wealth Fund Provider for Senior Debt for Major Projects including Developments

- Minimum loan \$200m
- Maximum \$750m
- LTV: 80%LTC
- Interest Rate 5% - 5.5%
- Arrangement fees 2%
- Geographically UK, W. Europe & US

Asset Sectors:

- Student Accommodation
- Hotels
- PRS
- Single Asset (Complexes preferred)



Funding Product 35:

Ideal for Experienced Developers:

Major cities in the UK and Western Europe as well as Asia and North America

We are working with a fund that can invest from £20 million to £200 million in:

- Office Schemes where they can add value
- Distress situations
- High-end Residential Schemes.



Funding Product 38:

For Experienced Developers:

Acquisition, Refinance, Planning Gain, Asset Repositioning, Refurbishment & Development exit

We are working together with a Specialist Property Funder with a broad criteria.

- Senior Debt, Stretch Senior Debt, Mezzanine, preferred Equity (*when an established track record with lender*)

Asset sectors:

- Resi inc BtR, Co living, Student Accommodation, Retirement Living,
- Commercial Industrial, Offices, Hotels, Retail Warehousing

- All UK regions

- Loan amount: £5m - £100m
- Term: 12 - 36mths
- LTV: up to 85%
- Interest rate: 6 - 7%
- Arrangement 1% in 1% out