

## Using Below Market Value [BMV] Bridging Loans to Your Advantage

Our BMV Bridging Loans offer maximum leverage to borrowers, making a significant difference in several scenarios.

### Discount vs aggregate value

We can provide finance where a borrower is purchasing a portfolio of properties and has negotiated a bulk discount with the vendor. We can lend against the aggregate value of these properties without any value reduction being applied due to there being multiple properties, thus achieving a loan in excess of 75% loan to purchase price. Our ability to move swiftly also enables our borrowers in some cases to negotiate further discounts with the vendor.

### Distressed seller

If a borrower presents themselves as a cash buyer and is capable to complete at speed in exchange for a discounted price we can lend against the open market value of a property without restrictions such as 90-day or 180-day value.

### Title creation

If a borrower is creating a number of new titles as part of a purchase (i.e. purchasing a multi-unit freehold block and creating a new leasehold for each unit) we can lend against the aggregate value, usually providing a higher OMV than the purchase price. Please note, the titles must be created before we provide the loan,

### Planning gain

Where value-enhancing planning permission has been obtained we can lend against the uplifted value, which may offer over 75% loan to purchase price. Please note this is assessed on a case by case basis to prevent any hope value from being attributed.

### Value uplift from works

Where works have been undertaken to increase the value of the property we can lend against the uplifted value rather than capping at purchase price or purchase price plus the cost of works. This is particularly beneficial where an option agreement has been negotiated with the vendor and the borrower has completed works prior to completing on the purchase,

As always, we do require a full red book valuation and therefore will lend against the OMV provided by the valuer. We also require the borrower to meet our net worth requirements to be eligible for a BMV Bridging Loan. It's important to keep in mind that although we can lend up to 100% net loan to purchase price, we must remain within 75% loan to OMV.