



# Commercial Mortgage – **Variable** Interest Rate

## Financial support to buy premises and help your business evolve

Whether you're looking to buy your own premises, re-mortgage or looking to raise finance secured against existing premises to grow your business a Commercial Mortgage (Variable Interest Rate) could be the right solution for you.

### Your needs

Every business owner's goals and objectives are different.

However, when an opportunity presents itself, being able to obtain the funds needed to make the most of an opportunity can be a challenge that every organisation faces.

### Our solution

Our Commercial Mortgage (Variable Interest Rate) is a simple way to borrow money when it's time to buy premises, re-mortgage or to evolve your business. With a commitment tenor to match the loan term, you'll have certainty and peace of mind for the duration of the loan.

### Benefits

- If Royal Bank of Scotland base rate falls, your repayments will decrease
- Repay the loan over a period of up to 25yrs
- You can repay your loan early with no Early Redemption Charge

### Considerations

- If Royal Bank of Scotland base rate increases, your repayments will also increase. Please note that, for the purposes of interest rate calculation, where Royal Bank base rate is below zero, it will be deemed to be zero
- You're comfortable accepting interest rate risk. Any repayments may vary
- Minimum borrowing amount of £25,001
- A Professional Valuation may be required
- Excludes Commercial Property Investment and Development Finance

### Is a Commercial Mortgage right for you?

You might consider Commercial Mortgage if you're looking for:



Certainty & stability – Owning premises instead of renting. A landlord may decide to sell the property and request your exit on lease renewal date



Flexibility – You want to develop, expand or sub-let if your space allows



Asset Value – Commercial Property is a tangible asset which may rise in value in a positive market and support any future borrowing

### How it works

#### Meet Relationship Manager (RM)

RM takes requirements and explains options.

#### Decision to proceed



#### Apply

You receive quotation/s, RM collects any further information that is required and submits to our credit team to review



#### Outcome

Your RM will contact you to discuss the outcome, agreed terms and any next steps if applicable



#### Money in Account

Once documentation has been returned and any conditions satisfied, we confirm that funds have been paid out and issue a welcome pack to you

### Product Specifications

- **Facility Size:** £25,001 upwards
- **Loan Term:** Loan Term (Commitment) for the full term with Loan Repayment term up to 25 years (more details on reverse)
- **Repayment Profiles:** Capital & Interest, Straight Line
- **Flexible Options:** Capital Repayment Holiday options available, subject to agreement

## Working with you

If you choose to proceed with us, your Relationship Manager will work with you to help you understand the process and to clearly explain all costs. Once you progress, we will endeavour to advise you of our decision as early as possible

Your Challenges	Our Solution
<ul style="list-style-type: none"><li>• Access to funding<ul style="list-style-type: none"><li>–Uncertainty during the process as to whether funds will be approved</li><li>–no one to talk to when pursuing finance</li></ul></li><li>• Uncertainty around cost<ul style="list-style-type: none"><li>–What if interest rates rise?</li><li>–Uncertainty around fees and charges; what will it really cost?</li><li>–I value long term finance certainty; what are my options?</li></ul></li><li>• Finance does not flex to my business<ul style="list-style-type: none"><li>–One size fits all solutions do not take into account the needs of business</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Transparent decision process<ul style="list-style-type: none"><li>–Dedicated Relationship Team to answer any questions, help understand what is required and support you throughout the journey</li><li>–Your Relationship Manager will talk you through the options and costs to give you the information you need</li></ul></li><li>• Choose the option that suits you best<ul style="list-style-type: none"><li>–Two repayment profiles available, each free from Early Redemption Charge</li></ul></li></ul>

## Options, Fees and Additional Features

Repayment Profiles & Options	Explanation
<ul style="list-style-type: none"><li>• Capital &amp; Interest</li><li>• Straight Line</li></ul>	<ul style="list-style-type: none"><li>• A repayment of principal and interest is periodically made to the loan account</li><li>• A repayment of principal is made to the loan account periodically, with interest applied separately to a current account</li></ul>
<ul style="list-style-type: none"><li>• Capital Repayment Holidays available<ul style="list-style-type: none"><li>– subject to agreement</li></ul></li></ul>	<ul style="list-style-type: none"><li>• An authorised temporary variation to the repayment schedule defined in the terms and conditions, interest will continue to accrue during this time which may mean you pay more over the life of the loan</li></ul>
<ul style="list-style-type: none"><li>• No Early Redemption Charge</li></ul>	<ul style="list-style-type: none"><li>• No Early Redemption Charge if you want to repay the loan early, in full or in part</li></ul>
<ul style="list-style-type: none"><li>• Loan Term (Commitment)</li></ul>	<ul style="list-style-type: none"><li>• The Loan Term (Commitment) is the legal duration of the loan, at the end of which the loan must be fully repaid.</li></ul>
<ul style="list-style-type: none"><li>• Arrangement Fee</li></ul>	<ul style="list-style-type: none"><li>• An arrangement fee may apply, based on deal size and complexity</li></ul>
<ul style="list-style-type: none"><li>• Valuation &amp; Security Fee</li></ul>	<ul style="list-style-type: none"><li>• A professional valuation and security fee may be charged where a valuation and security are required</li></ul>

Security may be required. Product Fees may apply. Over 18s only. Subject to status, business use only.

ANY PROPERTY OR ASSET USED AS SECURITY MAY BE REPOSSESSED OR FORFEITED IF YOU DO NOT KEEP UP REPAYMENTS ON ANY DEBT SECURED ON IT

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