

AVAMORE CAPITAL

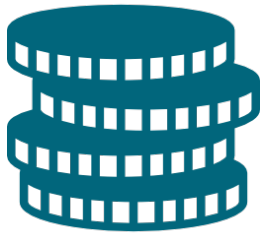
Product Guide 2022

Version 1.0



Avamore Capital Overview

Who are Avamore Capital?



Overview

Avamore is a principal **bridging & development lender** providing loans from £300K.

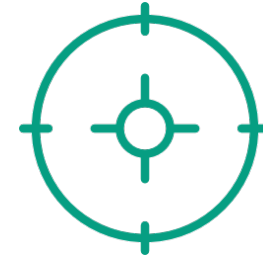
Total lending currently stands at c. **£400m** with a current off-balance sheet loan book of over **£200m**; projects include refurbishments, part-built schemes and new builds delivered by SME developers.



Geographic focus

Avamore lends in mainland England and Wales having expanded geographical coverage slowly and sustainably.

Avamore only lends in areas which the **credit team** are familiar with for consistent **lending decisions** and **asset management**.



Market approach

Avamore understands the importance of **providing excellent service** for all of its borrowing and broking partners and is dedicated to relationship focused lending.

As it has grown, Avamore has consistently ensured that it can maintain a personalised approach and each customer has a seamless borrowing experience.



Products

Avamore offers the following **four core products**:

- **Finish & Exit** (Part Complete Schemes)
- **Refurbishment** (Light to Heavy Refurbishment)
- **Bridging** (Front-End Bridging & Developer Exit)
- **Ground Up Funding** (New Build Schemes)

Product Overview

Avamore Core Products



Factor	Bridging	Refurb (Light)	Refurb (Medium)	Refurb (Heavy)	Finish & Exit	Ground Up
Rate	8.0% p.a. (0.67% p.m.)	8.25% p.a. (0.69% p.m.)	8.50% p.a. (0.71% p.m.)	8.50% p.a. (0.71% p.m.)	8.75% p.a. (0.73% p.m.)	From: 8.0% p.a. (0.67% p.m.)
Minimum Gross Loan Amount	£300K+	£500K+	£500K+	£500K+	£500K+	£500K+
Max LTV / LTGDV	75%	75%	75%	70%	70%	70%
Max Day 1 LTV	72%	75%	75%	70%	70%	70%
Max LTC	90%	90%	90%	85%	85%	85%
Build to Day 1 MV	N/A	0-25%	25-100%	100%+	N/A	N/A
Term Range	3-24 Months	3-24 Months	3-24 Months	3-24 Months	3-24 Months	3-24 Months
Arrangement Fee	2%	2%	2%	2%	2%	2%
Proc Fee	1.5%	1.5%	1.5%	1%	1%	1%
Exit Fee	0%	0%	3-6 Months: 0% 6-15 Months: 0% 16-24 Months: 1%	3-6 Months: 0% 6-12 Months: 0.5% 13+ Months: 1%	3-6 Months: 0% 6-8 Months: 0.5% 9+ Months: 1%	1%

Avamore Capital: Case Studies

Finish & Exit Product

Overview and Case Study



Finish & Exit Overview		
Loan Amount	Price	Term
£2,153,220	0.75% p.m.	12 months



The Challenge

The borrower had planned to refinance onto a development facility in March 2020 for a 21-unit scheme. Due to COVID **the lender pulled out** and so, the borrower was forced to self-fund the scheme.

Avamore’s Solution

The borrower ran down his cash reserves part-way through the project and **needed funds to complete works**. Avamore re-underwrote the transaction in order to be able to provide funds for the remainder of the project.

Result

The borrower was able to **complete the build** of 21 x1 bedroom flats and will **cover the exit period** under the loan facility.

“While other development lenders were holding back, Avamore stepped up and expressed an appetite to lend which was a godsend for my client who had been stuck on a bridge through the pandemic. The small team at Avamore provided terms very quickly and organized the survey within 1 week. I was supported throughout the application in obtaining the necessary documents to advance.” – **Gary Boorman, Vincent Burch**

Refurb Product

Overview and Case Study



Refurbishment Overview (Light)		
Loan Amount	Price	Term
£1,041,766	0.75% p.m.	9 months



The Challenge

Light refurb works were required to modernise this **two-bedroom apartment**. The borrowers also required additional mezzanine funding to complete the loan. Avamore had **previous experience working with the second charge lender** demonstrating the strength of market relationships.

Avamore's Solution

Avamore structured the **most competitive deal** for the developers who were relatively inexperienced. No Monitoring Surveyor fee was required as this was a light refurbishment and the borrowers were charged 0% exit fee.

Result

Avamore was supportive of the borrowers and structured a very competitive deal for them. Avamore, using the **prior working relationship with the second charge lender** made the process seamless.

“The Avamore team understands legal, construction and practical issues and they have demonstrated that they can successfully deliver on numerous occasions.”
– Colin Anderson, LDNfinance

Refurb Product

Overview and Case Study



Refurbishment Overview (Medium)

Loan Amount	Price	Term
£688,234	0.71% p.m.	12 months



The Challenge

The borrower required funds to refurbish and extend a 2 bedroom mid terrace house into a 4 bedroom property. The borrower was **under pressure to complete on the transaction** quickly due to the speed at which the existing owner was looking to move.

Avamore's Solution

Avamore assessed the build compared to Day 1 Market Value and priced the transaction as a **Medium Refurbishment deal**. Avamore worked closely with the borrower and broker to adhere to the time constraints set out at the start of the transaction.

Result

The borrower obtained the funds within the expected time constraints. Avamore performed for the broker, who they have a long-standing relationship with and ensured the experienced borrowers also benefited from **the speed and efficiency** of the Avamore team.

"I've worked with Avamore on several transactions and their service has been consistent on every deal. The front end of the process was quick and straightforward which meant that we were all able to turn our attention to the intricacies of the transaction."

– Piragash Sivanesan, Totum Finance

Refurb Product

Overview and Case Study



Refurbishment Overview (Heavy)		
Loan Amount	Price	Term
£649,784	0.75% p.m.	12 months



The Challenge

The borrower required funds to convert and extend a 2-bed house and former single shop into 9x1 bedroom flats. The borrower planned to use insulated panels for pre-fab construction, **this method of construction was outside of Avamore’s usual policy.**

Avamore’s Solution

Avamore investigated the implications of using this method and found that it had the **potential to impact the mortgageability of the property.** Therefore, Avamore worked with the MS to understand the difference in build cost using traditional methods of construction.

Result

Although the proposed method of construction was not used, Avamore, alongside the MS identified that **no significant costs would be incurred** through a change in approach. Avamore also acted as the borrower’s second line of defense safeguarding him from **facing issues when it came to the sale** of the property.

“Avamore made sure there was clear communication throughout the process and therefore provided a straightforward experience for all parties. The team acted with strong due diligence at every stage and ensured that all decisions were made in the best interests of my client.”
– Kennedy Zvenyika, GIC Capital

Residential Bridging

Overview and Case Study



Residential Bridging Overview

Loan Amount	Price	Term
£559,903	0.67% p.m.	9 months



The Challenge

The borrower **required funds quickly** in order to complete the purchase of another site for which the **deposit had already been paid**.

Avamore's Solution

Avamore acted commercially throughout the transaction and put the borrower's interests first. Following **a slight down valuation** of the scheme, Avamore conducted its own site visit and was confident that the sale price could be much **higher due to the specification** of the property.

Result

Avamore moved quickly and efficiently, **saving the borrower time and money**. Had Avamore not stuck to the borrower's timeframes, he could have lost his deposit or may have been forced to take a second charge loan against the property.

"Working with Avamore on this transaction was the correct choice for us as a broker. Not only are their terms competitive but their legal team were able to overcome hurdles around a complicated title to enable completion of this second transaction for our client."

– Keith Forster, PF&D

Ground Up Product

Overview and Case Study



Ground-Up Overview

Loan Amount	Price	Term
£1,411,029	0.67% p.m.	15 months



The Challenge

The borrower had a pre-agreed completion date for the site exchange and so, there was a **short window to transact**. The £1.4m deal was referred by another funder during the COVID crisis and so, Avamore were under pressure to perform well.

Avamore's Solution

Avamore worked quickly to provide funds for the **demolition and construction of a new building** which would be comprised of 1,2 and 3 bed flats. Avamore took 4-5 weeks to underwrite and complete the deal.

Result

Avamore built a close relationship with the borrower and demonstrated **its ability to work around challenges** in order to meet expectations.

"I was extremely pleased with how Avamore performed. My usual funder was not able to support the scheme and so Avamore was recommended to me. They delivered the deal on time and carefully navigated around challenges and intricacies of the transaction. Even though we hadn't worked together before, it was clear they really trusted me, took comfort in my experience and believed in the strength of the scheme." – **Chaim Fried, Freed Construction**

Speak to Avamore about our product range

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