

Afin Bank

Regulated Bridging Loan Fees & Charges Guide



Purpose of this Document

This document provides a clear summary of the fees and charges associated with Afin Bank's Regulated Bridging Loan.

It is designed to help you:

- Understand the total cost of the product
- Assess whether the product represents fair value
- Make an informed decision based on your needs and circumstances

This document should be read alongside your pre-contract disclosures and adviser explanation.

Understanding the Price You Pay

The total price of the product may include:

- Interest (retained)
- Arrangement and administration fees
- Third-party costs (such as valuation and legal fees)
- Broker fees (where applicable)

These costs reflect:

- The short-term nature of the product
- The operational requirements of bridging finance
- The risk profile of the loan
- The service and speed of delivery

All costs will be clearly disclosed to you before you proceed.

How the Product Works

This is a retained interest bridging loan. This means:

- Interest is calculated upfront for the full loan term
- Interest may be deducted from the loan at completion
- You do not make monthly repayments
- The loan is repaid in full at the end of the term (typically via sale or refinance)

Important

- You will receive a net loan amount after interest and fees are deducted.
- The total amount you must repay is agreed at the outset.
- You must have a clear and credible plan to repay the loan at the end of the term.

Fees and Charges

Fee Type	Amount	When Payable	Added to Loan	Notes
Arrangement Fee	2% of the loan	On completion	Yes	Main Product Fee
Administration Fee	£495	On completion	Yes	Added to loan and interest-bearing
Title Insurance Fee	Case dependent	On completion	Yes	Varies by case
Broker Fee (Added to Loan)	Case dependent	On completion	Yes	Subject to agreement
Broker Fee (Paid Directly)	Case dependent	Outside Loan	No	Paid seperately
Disbursement Fee	£10-£20	On completion	No	Deducted from net advance
Discharge Fee	£75	On redemption	No	Payable when loan is repaid
Credit Intermediary Fee	Case dependent	On application	No	Non-refundable

Loan-to-Value (LTV) and Fees

Where fees are added to the loan:

- They form part of the total borrowing
- They are interest-bearing
- They count towards the maximum loan-to-value limit (typically up to 80%)

This ensures that the full cost of borrowing is reflected from the outset.

Representative Example (Illustrative Only)

Property Value	£500,000
Gross Loan (75% LTV)	£375,000
Arrangement Fee (2%)	£6,790
Administration and other fees	£913
Total Fees Added	£7,703
Retained Interest (example)	£27,778
Net Advance to Customer	£339,519

Summary

You receive: £339,519

You repay: £375,000 at the end of the term

This example shows how fees and interest affect the amount you receive and the total you repay.

Other Costs

You may also need to pay:

- Valuation fees (depending on the property)
- Legal fees (your solicitor and the lender's legal costs)

These will be confirmed before you proceed.

Fair Value

Afin Bank is committed to ensuring that this product delivers fair value.

This means:

- Fees are proportionate to the benefits of the product
- All costs are clearly disclosed upfront
- The product is only offered where it is appropriate for your needs

The product is designed to meet short-term funding needs where there is a clear and achievable repayment plan.

Key Risks

Bridging finance is a short-term solution and carries specific risks.

You should consider:

- Your ability to repay the loan at the end of the term
- The risk of delays, which may increase costs
- The impact of fees and interest on your remaining equity
- The possibility that refinancing options may change

Your adviser will explain these risks before you proceed.

Monitoring and Review

Afin Bank monitors this product to ensure it continues to deliver fair value.

This includes reviewing:


- Customer outcomes
- Complaints and feedback
- Market conditions and pricing
- Loan performance and repayment trends

The product and its pricing are subject to ongoing review and governance.

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