

Commercial Mortgage Variable Interest Rate



Royal Bank of Scotland

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 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.

Tomorrow begins today

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	Product Specifications
<ul style="list-style-type: none"> • Access to funding. <ul style="list-style-type: none"> – Uncertainty during the process as to whether funds will be approved. – No one to talk to when looking for finance. 	<ul style="list-style-type: none"> • Transparent decision process. <ul style="list-style-type: none"> – Dedicated Relationship Team to answer any questions, help understand what is required and support you throughout the journey. 	<ul style="list-style-type: none"> • Facility Size: £25,001 upwards. • Loan Term: Loan Term (Commitment) for the full term with Loan Repayment term up to 25 years. • Repayment Profiles: Capital & Interest, Straight Line & Interest Only. • Flexible Options: Capital Repayment Holiday available, subject to approval. Conditions apply and you must keep paying the interest during the repayment holiday.
<ul style="list-style-type: none"> • Uncertainty around cost. <ul style="list-style-type: none"> – What if interest rates rise? – Uncertainty around fees and charges; what will it really cost? – I value long term finance certainty; what are my options? 	<ul style="list-style-type: none"> • Your Relationship Manager will talk you through the options and costs to give you the information you need. 	
<ul style="list-style-type: none"> • Finance does not flex to your business. <ul style="list-style-type: none"> – One size fits all solutions do not take into account the needs of your business. 	<ul style="list-style-type: none"> • Choose the option that suits you best. <ul style="list-style-type: none"> – Three repayment profiles available, each free from Early Redemption Charge. 	

Options, Fees and Additional Features

Repayment Profiles & Options	Explanation
<ul style="list-style-type: none"> • Capital & Interest. 	<ul style="list-style-type: none"> • A repayment of principal and interest is periodically made to the loan account.
<ul style="list-style-type: none"> • Straight Line. 	<ul style="list-style-type: none"> • A repayment of principal is made to the loan account periodically, with interest applied separately to a current account.
<ul style="list-style-type: none"> • Interest Only. 	<ul style="list-style-type: none"> • Interest applied quarterly to a current account with a single repayment of principal is made at the end of the loan.
<ul style="list-style-type: none"> • Capital Repayment Holidays available <ul style="list-style-type: none"> – subject to agreement. 	<ul style="list-style-type: none"> • 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.
<ul style="list-style-type: none"> • No Early Redemption Charge. 	<ul style="list-style-type: none"> • No Early Redemption Charge if you want to repay the loan early, in full or in part.
<ul style="list-style-type: none"> • Loan Term (Commitment). 	<ul style="list-style-type: none"> • The Loan Term (Commitment) is the legal duration of the loan, at the end of which the loan must be fully repaid.
<ul style="list-style-type: none"> • Arrangement Fee. 	<ul style="list-style-type: none"> • An arrangement fee may apply, based on deal size and complexity.
<ul style="list-style-type: none"> • Valuation & Security Fee. 	<ul style="list-style-type: none"> • A professional valuation and security fee may be charged where a valuation and security are required.

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.

This document has been prepared by The Royal Bank of Scotland plc or an affiliated entity (“**RBS**”) exclusively for internal consideration by the recipient (the “**Recipient**” or “**you**”) for information purposes only. This document is incomplete without reference to, and should be viewed solely in conjunction with, any oral briefing provided by RBS. RBS and its affiliates, connected companies, employees or clients may have an interest in financial instruments of the type described in this document and/or in related financial instruments. Such interests may include dealing in, trading, holding or acting as market-maker in such instruments and may include providing banking, credit and other financial services to any company or issuer of securities or financial instruments referred to herein. RBS is not and shall not be obliged to update or correct any information contained in this document. This document is provided for discussion purposes only and its content should not be treated as advice of any kind. This document does not constitute an offer or invitation to enter into any engagement or transaction or an offer or invitation for the sale, purchase, exchange or transfer of any securities or a recommendation to enter into any transaction, and is not intended to form the basis of any investment decision. This material does not take into account the particular investment objectives, financial conditions, or needs of individual clients. RBS will not act and has not acted as your legal, tax, regulatory, accounting or investment adviser; nor does RBS owe any fiduciary duties to you in connection with this, and/or any related transaction and no reliance may be placed on RBS for investment advice or recommendations of any sort. Neither this document nor our analyses are, nor purport to be, appraisals or valuations of the assets, securities or business(es) of the Recipient or any transaction counterparty. RBS makes no representation, warranty, undertaking or assurance of any kind (express or implied) with respect to the adequacy, accuracy, completeness or reasonableness of this document, and disclaims all liability for any use you, your affiliates, connected companies, employees, or your advisers make of it. Any views expressed in this document (including statements or forecasts) constitute the judgment of RBS as of the date given and are subject to change without notice. RBS does not undertake to update this document or determine the accuracy or reasonableness of information or assumptions contained herein. RBS accepts no liability whatsoever for any direct, indirect or consequential losses (in contract, tort or otherwise) arising from the use of this material or reliance on the information contained herein. However, this shall not restrict, exclude or limit any duty or liability to any person under any applicable laws or regulations of any jurisdiction which may not be lawfully disclaimed. The information in this document is confidential and proprietary to RBS and is intended for use only by you and should not be reproduced, distributed or disclosed (in whole or in part) to any other person without our prior written consent.

The Royal Bank of Scotland plc. Registered in Scotland No. SC083026. Registered Office: 36 St Andrew Square, Edinburgh EH2 2YB. The Royal Bank of Scotland plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. National Westminster Bank Plc. Registered in England & Wales No. 929027. Registered Office: 250 Bishopsgate, London EC2M 4AA. National Westminster Bank Plc is authorised by the Prudential Regulation Authority, and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

The Royal Bank of Scotland plc and National Westminster Bank Plc are authorised to act as agent for each other.