

For mortgage intermediaries only

# Residential bridging loans – Criteria matrix



Bridging is all about helping your clients get from A to B as quickly as possible, and our bridging product is designed to deliver just this. Our Fast Track option utilises AVMs and enhanced title indemnity insurance to save time during the underwriting process. With Fast Track, full valuations aren't required, and many key legal issues are indemnified. When your enquiry doesn't qualify for Fast Track, our Standard Bridging option offers all of the same care and due diligence, but requires a full valuation to be carried out and for solicitors to conduct full enquiries, which could result in a slightly longer processing time. For more information on which option is most suitable for you, please see the qualifying criteria below.

Product:	Fast Track Bridging				Standard Bridging			
	Please note that the case must qualify for both AVM & enhanced title indemnity, see next page for qualifying criteria							
Minimum loan size	£50k				£50k			
Maximum loan size	£1m				£1m			
Maximum LTV	0–55%	55.01–60%	60.01–65%	65.01–70%*	0–55%	55.01–60%	60.01–65%	65.01–70%
Regulated rate (pm)	0.55%	0.65%	0.70%	N/A	0.55%	0.65%	0.70%	N/A
Unregulated rate (pm)	0.55%	0.65%	0.70%	0.75%	0.55%	0.65%	0.70%	0.75%
Term	Regulated: 12 months   Unregulated: 9–23 months				Regulated: 12 months   Unregulated: 9–23 months			
Minimum property value	£70k				£70k			
Maximum property value	£1.5m**				Please speak to our team			
Location	England & Wales				England & Wales			
Automated valuations (AVMs) available <sup>1</sup>	Yes				Yes			
Enhanced title indemnity available <sup>2</sup>	Yes				Yes			
Search indemnity available <sup>3</sup>	Yes				Yes			
Minimum interest charged	1 month				1 month			
ERC	0%				0%			
Arrangement fee	2%				2%			
Admin fee	Regulated: No fee   Unregulated: £350+				Regulated: No fee   Unregulated: £350+			
Valuation fee	£75 per property				AVM: £75   Full valuation: View full fee scale <a href="#">here</a>			
Legal fee	View legal fee scale <a href="#">here</a>				View legal fee scale <a href="#">here</a>			

Fees are determined on an individual loan basis and this list is not exhaustive.

### **<sup>1</sup>AVM qualifying criteria**

<b>Maximum loan size</b>	£1m
<b>Purchases</b>	✓ Must be an open market transaction
<b>Maximum Property Value</b>	£1.5m**
<b>Refinances</b>	Max 55% LTV Regulated: Max 65% LTV with the joint security of a 1 <sup>st</sup> charge purchase and a 2 <sup>nd</sup> charge refinance Regulated: Max 65% LTV with the joint security of a 1 <sup>st</sup> charge purchase and a 1 <sup>st</sup> charge refinance
<b>House &amp; bungalow</b>	✓
<b>Flat</b>	✓ No more than 4 stories (including the ground floor) and must not have vertically stacked balconies
<b>New build</b>	✗ New build defined as a property which is not registered on the land registry and has been purchased within the last 2 years
<b>Other unacceptable security</b>	✗ MUFB, HMO, or semi-commercial, barn conversion, adjacent to commercial and/or listed building
<b>Property condition</b>	Property must be fully habitable and mortgageable in its current condition
<b>Construction type</b>	Standard only
<b>Minimum lease remaining (if leasehold)</b>	85 years
<b>Future works planned during our loan</b>	Cosmetic only, no structural works

### **<sup>2</sup>Enhanced title indemnity qualifying criteria**

<b>Maximum loan size</b>	£1m
<b>Acceptable borrower nationalities</b>	UK, EU, Channel Islands, Switzerland, USA, Canada, Australia, New Zealand or BVI
<b>Company applications</b>	✓ The corporate entity must be incorporated in the UK, EU, Channel Islands, Switzerland, USA, Canada, Australia, New Zealand or BVI
<b>Client source of wealth profile</b>	Must score “Low” on Octopus Capital’s overall risk assessment. Please contact the sales team who can discuss and calculate this for you.
<b>New build</b>	✗
<b>Security property</b>	Has been continuously used as constructed for over 12 months

### **<sup>3</sup>Search indemnity qualifying criteria**

<b>Maximum loan size</b>	Freehold security: £1m   Leasehold security: £500k (£1m if sub 55% LTV)
<b>Acceptable borrower nationalities</b>	UK, EU, Channel Islands, Switzerland, USA, Canada, Australia, New Zealand or BVI
<b>Purchases</b>	Max 55% LTV
<b>Refinances</b>	✓ Transfer of equity not allowed
<b>New build</b>	✗

\*Loans capped at 65% LTV for properties valued over £1m. \*\*Maximum property value limited to £1m, if located outside of the M25.

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