RedwoodBank
IT'S ABOUT TIME

Bridging - Tariff of Charges

This Tariff of Charges explains the fees and charges that may apply to your bridging loan. Full details of any applicable charges will be provided to you before they are payable. The Tariff of Charges are subject to change. If you have any questions about the charges listed in this document, or how they may apply to your loan, please contact us at: **loanservicing@redwoodbank.co.uk**

Before the drawdown of your bridging loan

These are fees and charges you may have to pay before your loan funds are transferred

Name of charge	What is the charge for?	How much is the charge?
Arrangement Fee[1]	Charged as part of your application. This can be paid upfront or added to your loan balance.	2% of the loan amount
Valuation Fee	The valuation report is one of the tools used to assess how much Redwood Bank will lend you.	Variable[2] based on third party cost (confirmed on application)
Legal Fees	For work undertaken by a Redwood Bank appointed panel solicitor to facilitate your loan such as preparing, reviewing or negotiating documents.	Variable[2] based on third party cost

If you change your bridging loan or require additional services

Name of charge	What is the charge for?	How much is the charge?
Early Repayment Charge (ERC)	Redwood Bank's bridging loans have a minimum term of 3 months. If a loan is repaid at any point before the end of the minimum term, interest will be automatically accrued to 3-months of interest.	No more than the equivalent of 3 months accrued interest. For example: If redemption occurs in month 1, an additional 2-months interest will be charged, equating to 3 months total interest.
Extension Fee	Charged when you extend your loan term. Extensions are granted at Redwood Bank's discretion and may be subject to further underwriting and affordability assessment.	1.5% of your loan balance for the first extension (up to 6 months); 2% of your loan balance for a second extension (up to 6 months) All extension fees must be paid upfront and cannot be added to the loan balance.
Legal Fees	For work undertaken by a Redwood Bank appointed panel solicitor to facilitate your loan such as preparing, reviewing or negotiating documents.	Variable[2] based on third party cost
Revaluations	Required when the Bank needs to revalue the security as part of your loan terms or changes made to your loan.	Variable[2] based on third party cost

1. If your loan is introduced by a broker or intermediary, we may pay them a procuration fee. This is paid by us for the introduction and will be disclosed to you in your Offer Letter. The fee does not vary based on the terms offered to you.
2. Variable fees may vary depending on factors such as the loan amount, the type of property, and how complex your application is. This ensures you only pay for the work needed in your circumstances. We will always explain your fee clearly and confirm it with you.

If you are unable to repay your bridging loan

These are charges you may have to pay if you fail to make your agreed payment at the end of the loan term.

Name of charge	What is the charge for?	How much is the charge?
Default Interest	Applied when you fail to make your agreed payment. Please refer to your Offer Letter for details on when default interest applies.	2% of the outstanding loan balance per month. This is in addition to the initial interest rate for your loan, outlined in your Offer Letter
Legal Fees	For work undertaken by a Redwood Bank appointed panel solicitor to recover sums owed or enforce security.	Variable[2] based on third party cost
Third party agent fees	For work undertaken by a Redwood Bank appointed firm to recover sums owed or enforce security.	Variable[2] based on third party cost
Revaluations	Required if the Bank needs to revalue the security because your loan has fallen into default.	Variable[2] based on third party cost