

TRANSACTION PATHWAY

Property Development Funding Application

OCTOBER 2023



This detailed Pathway will guide you through the end-to-end process to do prepare and complete a property development funding application process from clients. Whether you are doing it for the first time, or this is your full-time business, we've included all of the steps you will typically need to do appropriate due diligence, review, underwriting, credit decisions and funding for property development.

Once customised to meet your specific processes, save as My Template and then use for a consistent process for every property development funding transaction you do.

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
Complete development funding client information checklist	<ul style="list-style-type: none"> ➤ OneNDA ➤ OneNDA Word V2 ➤ Send development funding client information checklist to client for completion 	<ul style="list-style-type: none"> ➤ OneNDA ➤ OneNDA 	<ul style="list-style-type: none"> ➤ OneNDA Fillable V2 ➤ OneNDA Word V2 ➤ Development funding client information checklist: <ul style="list-style-type: none"> ○ Last 12 months mortgage statement ○ 6 months Personal bank statements (all applicants) ○ 6 months Business bank statements ○ Proof of ID & applicant signatures ○ Latest financial accounts ○ Written confirmation from the Insurer or a copy of the buildings insurance policy schedule ○ Up to date redemption settlement figure from existing lender (if refinance) ○ Original signed Deed of Guarantee(s) ○ Original signed Minutes of Board of Directors of Limited Company (if applicable) ○ Confirmation that property was purchased at market value
	<ul style="list-style-type: none"> ➤ Send development funding client information checklist to client for completion 	<ul style="list-style-type: none"> ➤ Development Funding Client Information Checklist Form: <ul style="list-style-type: none"> ○ Due Diligence (KYC & AML) ○ Application review ○ Land Registry ○ Debt service analysis & affordability ○ Exit strategy review ○ Planning outline consent & detailed permission accepted ○ Costs forecast ○ Schedule of works 	

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
	<ul style="list-style-type: none"> ➤ Original documentation received, signed & checked (and stored in pathway data room) once received in full ➤ Application sent to credit team 		
Assess client information	<ul style="list-style-type: none"> ➤ Assess information received and accept ➤ Assess information received and decline ➤ Assess detailed review of client information ➤ Finalise assessment and record outcome as accept or decline ➤ Save completed assessment 	<ul style="list-style-type: none"> ➤ Template acceptance letter ➤ Template decline letter 	
Client information assessment UNSUCCESSFUL	<ul style="list-style-type: none"> ➤ Send client decline letter ➤ Close client file 	<ul style="list-style-type: none"> ➤ Upload decline letter sent to client 	
Client information assessment is SUCCESSFUL & Conditional Acceptance Issued	<ul style="list-style-type: none"> ➤ Conditional acceptance letter issued to client ➤ If client is unhappy with conditional acceptance, request in writing ➤ Close client file 	<ul style="list-style-type: none"> ➤ Upload conditional acceptance letter sent to client ➤ Upload client letter confirming their wish to stop application 	
Formal acceptance	<ul style="list-style-type: none"> ➤ Send acceptance checklist to client for completion ➤ Send acceptance checklist to client for completion ➤ Original documentation received, signed & checked (and stored in pathway data room) once received in full ➤ Valuation instructed once payment received 	<ul style="list-style-type: none"> ➤ Development Funding Application Checklist confirmation Form 	<ul style="list-style-type: none"> ➤ Development funding acceptance checklist
Valuation	<ul style="list-style-type: none"> ➤ Underwriters perform full file review before legal instructions issued ➤ Formal agreement & commitment fee issued ➤ Valuation information satisfactory ➤ Valuation information unsatisfactory 	<ul style="list-style-type: none"> ➤ Upload Valuation Assessment Report from Property Valuation Professional. ➤ Template Conditional Acceptance Letter ➤ Template Unsatisfactory Valuation Letter 	
Valuation complete - UNSATISFACTORY	<ul style="list-style-type: none"> ➤ Send client unsatisfactory valuation letter 	<ul style="list-style-type: none"> ➤ Upload unsatisfactory valuation letter sent 	

STAGE	TASKS	TASK FORMS	TASK DOCUMENTS
	➤ Close client file	to client	
Valuation complete - SATISFACTORY	➤ Conditional acceptance letter issued to client	➤ Upload conditional acceptance letter sent to client	
Valuation complete - LOW VALUATION	➤ Issue new offer (if lower valuation is acceptable) ➤ If client is unhappy with conditional acceptance, request in writing ➤ Close client file	➤ Upload client letter confirming their wish to stop application	
Formal Agreement & Commitment Fee Issued	➤ Commitment fee issued ➤ Complete legal checklist	➤ Upload commitment fee issued ➤ Legal checklist items: <ul style="list-style-type: none"> ○ Mortgage document ○ Funder's sub-charges (if applicable) ○ Debenture (if applicable) ○ Personal guarantee(s) (if applicable) ○ Settlement redemption figure confirmed (if refinance) ○ Account details confirmed ○ Land registry titles confirmed ○ Solicitors Certificate of ID to be completed by client's solicitor and signed by the client. ○ TCF Questionnaire to be completed by client's solicitor and signed by the client 	
Fund Drawdown	➤ Create funding account on system as per draw down particulars ➤ Issue funds to client account as per schedule		