

CONSULTING FOR REAL ESTATE IN CREDIT APPLICATION PROCESS

Build a strategic partnership with your creditors

1. BENEFITS FOR CLIENT

- Adequate financial planning for the project;
- Realization of credit application, structured in a way to correspond to the project;
- Time-saving, efficient and clear communication with a bank;
- Optimization of borrowing costs in the long-term;
- Continuous monitoring of the project;
- Active support and expert advice on how to fulfill the conditions imposed by a bank.

2. DESCRIPTION OF THE SERVICE

Phase I: Business Analysis

- Industry Analysis – size of the market and its structure, main trends, client's current market position and peer group analysis, characteristics of the RE niche;
- Detailed analysis of project's business model;
- Independent and comprehensive financial analysis;
- Defining an appropriate financial structure that would suit project's business model;
- Identification of key financial risks;
- Preparation of Financial plan, which includes balance sheet, P&L and cash flow projections.

Phase II: Preparation of the credit application

- Defining both, the primary (cash flows) and the secondary (collateral) sources of repayment;
- Structuring the credit application;

- Defining the monitoring and reporting mechanism (pre-conditions and additional conditions imposed by the bank);
- Business plan preparation and presentation of the credit application;
- Communication with creditors.

Phase III: Monitoring and Reporting

- Ongoing analysis which allow us to monitor project's actual progress and performance against projections and identify the segments in which the project did not meet the goals and the reasons for detected deviation;
- Reporting for internal and external users in order to improve transparency;
- Timely identification of potential threats and problems;
- Setting up the corrective actions.

3. LIST OF DOCUMENTS THAT CLIENT NEEDS TO SUBMIT

- Official financial reports, with notes, for the last three years – client and related parties;
- Auditor's reports for the last three years – client and related parties;
- Preliminary financial statements for the last three years and the current year – client and related parties;
- Reference list of finished projects with the copy of usage permits;
- Location valuation and Project valuation, land register documentation with the evidence of location acquisition;
- Information about location, Location Permit, Construction Permit, Usage Permit;
- Planning and design including Main Design Project;
- Total investment cost breakdown including the evidence of already paid costs;
- Detailed information on off-balance sheet liabilities to financial institutions;
- Detailed information on each loan provided by financial institution (purpose, amount, terms, security, outstanding loan);
- Collateral appraisal and relevant documentation from different registers;
- Other documentation (if necessary):
 - Contracts with business partners (Design and planning company, Constructor, Suppliers, Project Manager),
 - Other analytical data,
 - Bank statements,

- Market analysis,
- Feasibility study.

4. LIST OF DOCUMENTS THAT CLIENT RECEIVES

- Valor Business Plan – VBP
- Valor Financial Plan – VFP
- Valor Monitoring Report – VMR
- Additional analysis (xls file)
- Additional material required by the bank

5. CONTACTS

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