

Well who would've thought it...

There's life after Brexit!

After a quiet two weeks at the start of July when most of the country was reeling after the referendum, our new business levels spectacularly turned around with August's £50m of new loan applications being the Bank's second highest month since we launched four years ago.

My initial view on this surge in new business is that, for a couple of weeks either side of the vote, business did slow down whilst investors took stock. This looks to have created some pent up investor demand, a "Brexit Bubble", which burst with the realisation that investment outlook was still as stable as ever.

The initial worry was perhaps misplaced. Once the dust settled, the property market appeared relatively unscathed: the stock market, after an initial dip, returned to levels higher than before the vote plus the uncertainty around the next Prime Minister was quickly resolved with Cameron's resignation and Theresa May's swift appointment.

During September, activity levels have remained high. There appears to be a strong wave of optimism going through the property sector as overseas investors once again find value in



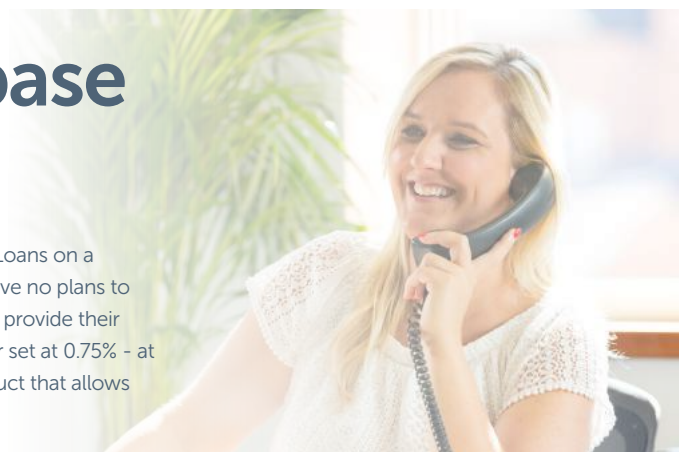
Simon Lindley
Commercial Director - Real Estate

London prices due to the beneficial exchange rate. The usual ripple effect of this new confidence is spreading to the counties. It may even prove that the recent base rate cut was a little premature given the subsequent strong retail figures and fall in sterling.

From Cambridge & Counties' perspective, this is all positive news. It's been business as usual as we continue to recruit new colleagues to meet the ongoing growth in demand for our business. The feel good factor is even transcending our property business with our Asset Finance team experiencing their own record month for both draw downs and new applications in August.

Bank of England base rate reduction

Cambridge & Counties continues to provide its Property Investment Loans on a pricing platform that is linked to Bank of England base rate and we have no plans to change our approach. Whilst other funders in the market continue to provide their loan products linked to 3 month LIBOR – often with a minimum floor set at 0.75% - at Cambridge & Counties we prefer to maintain a fully transparent product that allows borrowers to benefit from any downward movement in rates.



Expanding the team in Sheffield

Due to growing demand, we've boosted our Northern ambitions by adding two new arrivals to the business development team in South Yorkshire. Richard Renzi joins the Sheffield-based team as Business Development Manager alongside Mark Smedley who comes in as Business Development Officer.

Richard, Sheffield born and bred, has worked for Yorkshire Bank and, most recently, for National Australia Bank Commercial Real Estate, based in Leeds. His career at Yorkshire Bank began as a branch cashier, and progressed through branch management to area sales manager.

On joining Cambridge & Counties, Richard said: "I'm delighted to be back in Sheffield working with Carl and Wendy. I've heard such great things about the unique Cambridge & Counties Bank approach to lending where every

case is manually underwritten, in order to really understand the people behind each deal. My aim is to help grow our presence and broker network with particular focus within the Yorkshire region - my home turf."

Mark also built up his wealth of experience working for Yorkshire Bank, joining its business banking operations in 2007. Richard and Mark join Carl Ashley and Wendy Burton-Webster who together opened our Sheffield office back in 2014.



Mark Smedley
Business Development Officer

Richard Renzi
Business Development Manager

Growth in the Bank

In July, Cambridge & Counties Bank hit the £500m mark for lending through Property Finance. CEO Mike Kirsopp said: "Half a billion pounds is a key milestone in the Bank's growth, achieved in just four years thanks to the experience, energy and commitment of our growing team."



Mike Kirsopp
Chief Executive Officer

But we're not stopping there. We remain ambitious and will continue to work with increasing numbers of finance brokers and direct customers to lend more money. We've proven the market is there for our service and, importantly, our can-do approach.

The £500 million includes more than 1,500 loans. The average loan size has been £403,000, the largest at £9.5 million. The loan book alone grew 66 per cent from our year end at 2014 to 2015, and staff numbers have increased from 9 at launch to 109 and rising. At least

another 10 jobs are forecast to be created before the end of 2016.

We haven't just delivered fast growth – out of the new breed of niche banks, we're one of the most successful. Cambridge & Counties was the fastest to reach profit, achieving this after just 13 months of trading. Customers are also delighted with us, with 99% of new customers stating that they'd recommend us. We have set ourselves some high standards and we continue to work hard to keep moving the bar upwards.



Residential & Commercial Bridging

Despite the recent uncertainty created by the Brexit vote and a number of funders pulling out of the bridging market, we're still seeing a growing demand for both our Residential and Commercial Bridging products. As usual, we've utilised our experience in the property market to structure deals to meet client requirements.

This means supplying options for interest roll up and an extended bridging term of up to 18 months. We're also continuing to offer a seamless option to convert a bridging loan into a term loan without having to double up on arrangement and exit fees.

At the centre of our bridging product ethos is the flexibility of the funding and pricing structure. Removing a rigid, concrete structure allows us to be more competitive and keeps our product in line with client expectations and preferences.



Meet the team

Steve Adams, Director of Business Development – East Midlands

We caught up with Steve to find out a little bit more about what makes him tick. Check in on later newsletters to find out more about the people that make Cambridge & Counties the amazing place to work that it is!



When are you happiest?

Besides when I'm with my family – when West Brom win. So amazingly, not often!

What's your favourite office memory?

Going into a branch of the bank I used to work for as Branch Manager – ambition realised!

Where did you have the best meal of your life so far?

At a pricey New York restaurant – the name escapes me but the steak was some of the best I've ever had!

What characteristic do you most admire in a co-worker?

Honesty. It's as simple as that.

Name three things that you couldn't live without.

My family, my iPad and pork!

What is number one on your bucket list?

To visit Las Vegas and see the Grand Canyon.

What's the most challenging part of your job?

Definitely learning new policies and procedures.

Do you have a favourite quote?

"The more I practice the luckier I get" – a famous golfing quote that is attributed to a number of players – two being Gary Player and Lee Trevino.

If you could have any mentor in the world, who would you pick?

Richard Branson – what an inspirational guy!

If you had a time machine, and could go to any time/place in the world, where would you go?

I would go to Egypt so that I could meet The Pharaohs and watch the building of the pyramids – what an amazing feat.

Guilty pleasure?

Chocolate! I just can't say no.

If you could choose any super power, what would it be?

I'd be Spiderman. webs, reflexes, super strength... and I get to kiss Kirsten Dunst!

How did you get into Real Estate?

I have always been in Business Banking and property related loans throughout my career, it's just all I can remember wanting to do.

Best piece of advice you've ever had?

Being told to apply for a job by my boss that I didn't think I'd get. He must have known better, because I applied and I got the job!





Community Challenge Day

A team of 18 members of staff recently spent a day painting and gardening at disability organisation LCiL's West End Centre for a team challenge arranged by Leicestershire Cares.

At Cambridge & Counties we recognise the importance of being a positive influence in the community and we are now in our second year supporting Leicestershire Cares – an initiative which links businesses with community groups.

Our members of staff are very passionate and enjoy volunteering, so jumped at the chance to help LCiL – the Leicestershire Centre for Integrated Living. The day was spent painting the West End Centre's hall and preparing the grounds at Andrews Street for a new LCiL group to enjoy weekly gardening sessions.

Inside, the teams handiwork included painting an area with blackboard paint. The Real Junk Food Project Café take donated food and create new meals from the ingredients they receive – now they can chalk up their menus on the new blackboards. Plus, the kids can now draw on it too, so everyone's a winner!

John Coster, LCiL project manager said: "The footfall at the centre has been growing so much – we welcome more than 600 people a week – that keeping it all looking attractive is important. It's great to get it back looking its best. Our thanks go to Cambridge & Counties Bank and its staff for getting involved and supporting us."



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