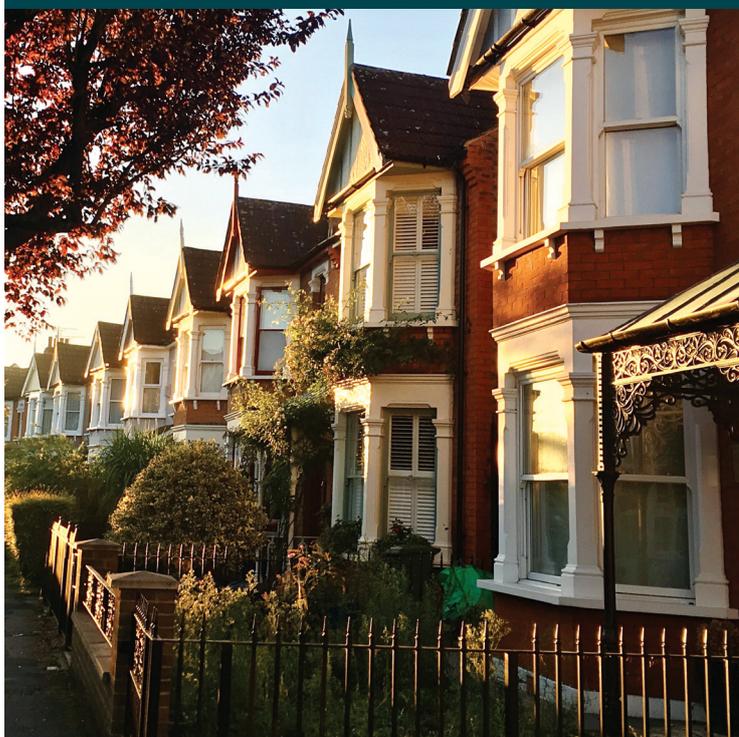


Crystal Finance

**Latest deal on innovative
new “Lending for Refurb
Costs” product**

**Commercial
mortgages.**



The case

This £75,000, 3 bedroom property in Newcastle required complete refurbishment, including a new kitchen, bathroom, extensive electrical works and new flooring. The associated costs were estimated by a surveyor to be in excess of £12,000, but this experienced investor carried out the refurbishment himself in order to keep costs down and maximise profit.

A loan of £63,750 was secured at 86.7% LTV (including fees) to cover the £7,500 cost of works, with all funds being released on Day 1. The rental following completion of the works was £595pcm with a GDV of £110,000, and the investor moved to a term loan with Shawbrook for no fee, a smooth exit facilitated by our Strategic Partner Crystal Finance on behalf of the client. The valuation report included commentary on the properties initial value, the refurbishment works carried out, and the GDV and final rental yield. The same surveyor carried out the inspection for the term loan to ensure the necessary works were complete and ensure a consistent approach to valuing the property interest rolled up and included in the redemptions to allow the sale of the units.

“The key to this transaction was cash flow management. This product from Shawbrook allows the client to get the maximum leverage for his deposit, and allowing a loan at technically 86.7% LTV all-in is market leading in every sense. This means the client can complete the refurb in as short a time as possible as funds are already there, and more importantly exit onto a pre-approved term loan with no additional product fee”.

Jo Breeden from Crystal Finance

Contact us today: 0330 123 4521
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