

Case Study: Large Development Looking for a Refinancing option tailored to their plans

Our products are structured to give your clients the flexibility they need. Here's an example of how:

The client

The clients were coming to the end of a development loan for the conversion and refurbishment of large office block in the Midlands, creating 50 residential units.

The situation

With the time to refinance fast approaching, the clients were keen to come off of the expensive development funding and on to a refinance package covering the £9m loan that is flexible and competitive on rate. The clients were looking for a 40/10 split on the 50 flats whereby they wanted to keep the majority and find buyers for the rest.



The solution

We were able to offer the clients a hybrid development exit package of 75% gross LTV combining our TermTen and Bridge to Let products. TermTen was used for the 40 flats that were being retained with a 5 year fixed rate of 4.59%, on the condition that 60% were let pre-completion of the loan. The other 10 flats were funded by a 9-month Bridge to Let loan with rolled up interest of 0.67% pcm. This hybrid solution gives surety of a serviceable Buy to Let loan whilst also affording the clients flexibility to sell units and deleverage their position, eventually creating some cash profits once the 10 flats are sold.

Have a case to discuss?



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