



A view from the East

by David Coleman, Regional Account Manager - issue4 - July 19

Welcome to July's instalment of "A View from the East" bringing you the very latest specialist lending news and scenarios from my region.

Over the last month, second charge enquiries have soared. Borrower needs include: 1) capital raising whilst in a high ERC fixed rate mortgage, 2) 'improving rather than moving' to avoid stamp duty, 3) payment of tax bills, 4) business use and, 5) limited options for high debt consolidation. At the time of writing, rates start at just 3.47%. There are options for fixed, no ERCs, AVMs, up to 6 x income and up to 100% LTV. The choice, coupled with Positive's fixed, fair and transparent fee structure, is why we are completing more second charges than ever before.

Bridging Loan

Finding a lender for £0.75m renovations

CUSTOMER SCENARIO:

A client with a £2.75m unencumbered property required £0.75m to complete a part-finished project - including bathrooms, kitchens and general cosmetic works. With works completed, the property hoped to achieve a GDV of £4.5m. The loan exit was to be the property sale.

OUTCOME - POSITIVE ADVISED:

Some lenders struggled to get comfortable with the scenario but we found a lender who was happy to consider on the basis that the client consolidated outstanding commitments, taking the loan to £0.97m. With the client happy to proceed on this basis, we were able to arrange the loan at 0.43% per month with no packager or exit fees.

Second Charge

Raising capital & paying their tax bill

CUSTOMER SCENARIO:

Clients, Mr (self-employed) and Mrs (employed), required £80k second charge for home improvements, consolidation of unsecured debts and a £12.5k tax bill. The reason for considering a second charge was to avoid paying £6.5k ERCs on their existing first charge and being offered an unattractive further advance rate.

OUTCOME - POSITIVE ADVISED:

Placing the deal via our whole of market access we arranged the full £80k at 3.75% with no ERCs allowing the clients to consolidate all of their outstanding commitments, proceed with their home improvements and at a lower monthly instalment.

Why Positive Lending?

We exist to help provide the best client outcomes and help intermediaries complete more business, we have arranged £1bn+ in transactions and support thousands of customers yearly via our multi-product lending solutions. We have options for advised or packaged, making us the partner of choice for many lenders, networks and key brokers. Our dedicated expert teams search the market to ensure clients receive the very best outcome available for their circumstances every time, whilst ensuring the intermediary gains the very best commission.

- Second charge mortgages
- Regulated & Non-regulated bridging
- Development finance
- Specialist first charge residential & buy to let
- Commercial mortgages
- Business loans.

To book your appointment or discuss a client enquiries
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