

CASE STUDY

SHAWBROOK PROVIDES OVER
£4M OF BRIDGING FINANCE FOR
EXPERIENCED PROPERTY INVESTOR

An existing customer of the Bank needed to refinance and raise capital...

Shawbrook Bank has just released funds on a bridging loan with a total loan value of over £4m, one of the largest bridging deals it has completed so far in 2017.

The exact loan was for £4,042,318 at 66% LTV and brokered by Shawbrook Strategic Broker Partner Pure Funding Solutions. The loan was originally presented to Pure Funding Solutions by one of their introducing partners, RJW Associates who acted as the customer-facing intermediary.

The client is also an existing customer of Shawbrook Bank with a large property portfolio who needed the bridging finance to repay a previous development loan of £3m with a high street bank. Remaining funds were sought for ongoing projects and refurbishment costs spread across the portfolio.

The Shawbrook Lending Manager got to work immediately, liaising with the broker to specify all outstanding conditions and address any burning questions as early as possible in the application process. The Short Term Loan team was also comfortable to lend against the aggregate value of the security properties, allowing the investor to maximise the amount of funds available. Considering their strong track record in property investment and the existing customer-lender relationship, this was a pragmatic measure taken by Shawbrook which benefited Pure Funding Solution's client.

It was discovered during the application process that the company ownership structure was slightly more complex, and that this needed to be addressed. Despite there being an existing relationship, the company structure had a trust arrangement in place meaning that the Shawbrook teams had to reissue the loan documentation. Rather than allowing this to become a drawn-out process, Shawbrook's in-house legal panel Pure Law provided the broker, Pure Funding Solutions with two options as to how their client could proceed. Considering that both limited companies involved in the trust arrangement are UK based with the same customer acting as 100% shareholder, the Bank's Group Credit Committee decided there was no additional risk involved and the loan proceeded.

As the broker's client is an existing customer of Shawbrook's, they were entitled to receive a 0.25% discount to either the loan margin or arrangement fee, with the client opting for a margin discount.



Illustrative only

PRODUCT: STL1
LOAN AMOUNT: £4,042,318
LTV: 66%

"This was a large, complicated case that needed to be managed efficiently from start to finish. I would like to extend my gratitude to Rob Winterhalter at RJW Associates, the introducing partner on this loan. He was a fundamental point of communication and this deal simply wouldn't have completed without the efforts of his team. My thanks also go to Andy Thurston and the rest of the Short Term Loan team at Shawbrook for the service they provided to our client, which was as intelligent as we have come to expect."

Danny Churchill, Director at Pure Funding Solutions

PRODUCT HIGHLIGHTS:

- Rates from 0.55% pm
- Up to 75% LTV
- Loans from £50k to £15m
- No minimum term or minimum interest

For new enquiries please contact the Sales Desk on
0330 123 4521 or email cm.broker@shawbrook.co.uk