

Recent Case Studies

Client 1

Client position

A UK national living in France who owned a commercial investment property in the UK.

Requirements

To achieve 50% LTV to redeem the current mortgage on the property.

The challenge

The client was 72 years old, the property was occupied by vulnerable children and operated by a care business. There was an almost blanket refusal to lend against it due to perceived reputational risk from lenders in the event of loan default.

Terms achieved by Willow Private Finance

- Secured a loan of 4% above BOE base rate (currently .75%)
- 1.5% bank arrangement fee.
- 20 year committed term.
- A 10-year interest only facility.

Client 2

Client position

A UK national who had been living in various offshore locations for 25+ years.

Requirement

Client wanted to relocate to the UK and purchase a new residential property for £2m.

The challenge

High street banks were reluctant to lend as client had been out of the UK for 25+ years. The client's business was only two years old and was based in the Bahamas. The company had no reporting obligations and therefore no audited accounts.

Terms achieved by Willow Private Finance

- Secured a lender who considered income verification in the form of management accounts, bank statements for the trading period and a copy of a key client contract to demonstrate the durability of the business.
- Achieved 70% on an interest only basis.
- Term tracker product of 1.29% above bank base rate (.75%).
- Bank arrangement fee of .75% with standard valuation and legal fees.

Client 3

Client position

A UK national who had no demonstrable income as he had recently sold his trading business.

Requirements

To effectively re-structure an existing debt of £2.2m with a private bank.

The challenges

The client's age (50+) meant loan terms were more restrictive and the security address was not deemed desirable by many lenders so it was higher risk if the loan defaulted.

Terms achieved by Willow Private Finance

- Secured lender who applied the 'high net worth individual exemption', meaning the normal regulatory affordability rules did not apply.
- Committed term extended until 70 years of age.
- The loan was arranged as interest only - agreeable with his overall investment strategy
- A margin of 1.19% over bank base rate (currently .75%).
- .5% bank arrangement fee with standard valuation fees.

Client 4

Client position

A French national living in Dubai.

Requirements

To refinance a buy-to-let property in London for £500,000.

The challenges

High street banks were reluctant to lend to a non-UK national also residing in the UK, unless the loan was above £1m and the client satisfied private banking criteria. The property was also ex-local authority apartment which is typically more difficult to refinance.

Terms achieved by Willow Private Finance

- 70%LTV.
- Margin of 1.99% above LIBOR.
- 1% bank arrangement fee.
- Mortgage term until 67th birthday.
- Normal valuation and legal fees applied.

Client 5

Client position

A Qatari national living in Dubai who owned 23 properties in a UK based Limited company and LLP with an overall portfolio value of £32m.

Requirements

To achieve 65% LTV and capital raising to reinvest into a trading business in Dubai.

The challenge

The UK properties consisted of low yielding but strong covenanted properties and due to the yield being low, finding a bank to support the required level of debt (based on marketable rent) was difficult.

Terms achieved by Willow Private Finance

- Secured a loan of 2.25% above BOE base rate (currently .75%)
- .5% bank arrangement fee.
- 20 year committed term.
- An interest only facility with a requirement to pay down LTV to 50% within 5 years.
- In addition, as the client had strong family assets, this meant extra reassurance could be provided to the lender to support the required level of borrowing, despite the marketable rent being unable support it.

Client 6

Client position

A UK national with a Guernsey based trading business. Income over past 3 years was in the form of the repayment of a Directors loan. Client owned a residential buy-to-let property in London worth IRO of £3.5m.

The requirement

As the property was owned by a French SCI, the client needed to find a £2m loan to pay off the French bank.

The challenge

Limited opportunities from lenders due to the inability to demonstrate regular income and the ultimate beneficial owners of the SCI being 60+ years of age.

Terms achieved by Willow Private Finance

- Secured a loan from a Kuwaiti bank to the French bank.
- Obtained a 5-year fixed rate of 3.99% with borrowing driven by the marketable rent
- Bank arrangement fee of 1% achieved to include the valuation and legal fees.

- In addition, as the client had strong family assets, this meant extra reassurance could be provided to the lender to support the required level of borrowing, despite the marketable rent being unable support it.