

# Deal done

## **BFS raises £520K to fund construction of apartment block**

One of our existing clients approached us recently requesting help with raising finance for a new construction project that they had planned. Having already identified a plot for sale with planning for a dwelling comprising 7 apartments plus a ground-floor retail unit, our client was seeking a loan of c. £500,000 to cover the development costs (he would purchase the land using his own funds).

Our client had noticed that the plot was very near to an existing shopping street where a number of the existing retail outlets were empty, indicating that there was no real demand for further shops. Based on this he planned to take the existing plan and turn the retail unit into another apartment, but one with Wheelchair access, a wet room etc. Prior to purchase this was discussed with the local planning authority, who indicated that this was likely to meet with approval. Despite this, and for a variety of reasons, our client's own Bank were not interested.

It was at this point that he approached us for help. We looked at a variety of options through our various contacts. These included construction-oriented finance houses, crowd funding platforms and private investor groups. As there was a need to get the purchase completed quickly before others acquired the land we decided that, in this case, the private investor route offered the best option.

The result – Our client benefited from a loan agreement negotiated over a couple of weeks with a private investor that provided him with a loan of £520,000 over 18 months at a very reasonable rate and no early repayment penalties. The land has been purchased and construction is under way.

If you have a similar project or would like to find out more about the services that BFS provides please contact us at [enquiries@bufinserv.co.uk](mailto:enquiries@bufinserv.co.uk) or call us on **0800 093 5240**. We look forward to hearing from you.