

## case 1

**location:** East Midlands

**property type:** Restaurant financing

**case details:** The applicants needed to raise capital in order to make a range of improvements to this restaurant property. With accounts available and a solid business track record, Commercial First was able to provide an advance of £220,000 against a property value of £340,000 at 64.7% LTV and the funds were secured within 3 weeks of application.

The clients had found it extremely difficult to cope with the demand of the restaurant with their existing equipment and used the funds to completely overhaul their kitchens, adding new equipment and changing the layout to make it more "cooking friendly". The clients also used the finance to change the bar area. Due to the pressure in the kitchen causing delays to table turnover, customers would have to stand at the bar for longer whilst waiting for their table to become available. Historically there was a need for extra space to accommodate this but with the problem now solved, the applicants could reduce the space in the bar and add 14 extra covers to the area.

Not only did these improvements allow for a significant uplift in cash flow in the short term, but because of the dramatic improvement in efficiency the reputation of the restaurant has grown and business is booming.

## case 2

**location:** Lancashire

**property type:** Health & Beauty shop

**case details:** The clients - a husband and wife team - wanted to purchase this retail unit and convert it into a health & beauty spa. The wife as a self employed beautician supplied projections for the business and they both self declared their income. Commercial First was able to advance £155,000 against a property valuation of £225,000. (68.8% LTV) The case moved to completion within one calendar month of receipt of the initial application.

The couple was able to install 2 treatment rooms, a large reception area and an office and as this was the only property of its kind within a 12 mile radius, the business has performed well over the last two and a half years. The couple have since installed an additional treatment room and hired a qualified graduate in order to take on more clients.

## case 3

**location:** Buckinghamshire

**property type:** Stables & Farmhouse

**case details:** Commercial First lent £900,000 to assist with the purchase of this business and free up capital for investment. The applicant was moving from some smaller stables and accommodation as her business grew. The client had exemplary mortgage conduct and the case progressed swiftly to completion less than ten weeks from initial enquiry.

The main improvement was to refurbish the stables and add some extra stalls to the existing block. This increased the stall space by a third over and above that of her previous property. The customer has successfully increased turnover, and the larger presence has increased the catchment area for the stables, attracting more customers from further afield and strengthening the reputation of this business.

The customer has since drawn up further expansion plans which she hopes to carry out.

## case 4

**location:** Eastbourne

**property type:** Guest House financing

**case details:** This husband and wife team needed finance to complete a refurbishment of their Guest House property. They were able to supply some accounting information and had no historic adverse. Commercial First was able to arrange an advance of £130,000 at 74% LTV and the case was completed in less than one month from the initial enquiry – crucial for these customers due to the nature of their business.

The top floor of this three floor property had been lying unused for the past 18 months due to some severe water damage, and the clients wished to undergo a refurbishment programme to make full use of this space before the start of the new season. They used the finance to repair and redecorate the top floor rooms into large family style accommodation which broadened the appeal of the guest house. (The other rooms were only suited to singles or couples). In addition, they landscaped the garden at the rear of the guest house, dramatically increasing the appeal of the property.

The improvements have made a big difference, and the inclusion of family accommodation has allowed a more stable source of income throughout the busy season as this demographic typically stay for longer in comparison to single/ couple guests.

According to the owners, *"the property looks brighter and more welcoming, and the new rooms have allowed us to make a real success of the last two summers."*

The overall cost for comparison is 4.1% APR. The actual rate available will depend upon your circumstances. Ask for a personalised illustration. Early repayment charges apply. A broker fee of up to 1% will apply. A lender completion fee of 2.5% will apply. Think carefully before securing other debts against your home. Your home may be repossessed if you do not keep up repayments on your mortgage.

## case 5

**location:** Warwickshire

**property type:** Machine parts factory and offices

**case details:** In this case, the clients were two brothers who wished to re-finance their factory and offices in order to consolidate existing debt and make some improvements to the interior. Audited accounts were provided, Commercial First advanced £75,000 at a rate of 1.65% over LIBOR and the deal went to completion 28 days from receipt of the initial application.

The existing property lacked an area where they could bring clients and suppliers as the existing offices were in an extremely poor condition. After taking care of their main priority (debt consolidation), the brothers used the remaining finance to refurbish the existing space into two separate offices, one for each director, and a large meeting room for clients and suppliers. Whilst not having a direct bearing on the profitability of the business, it has allowed for a more pleasant working environment and they believe that the new area helps to create a positive impression for visiting clients.

## case 6

**location:** South Wales

**property type:** Dairy Farm

**case details:** With a previous CCJ, (satisfied), and one missed payment in the previous 12 months, this client was denied commercial finance by two high street lenders. She needed to consolidate some minor debt and raise additional capital to improve the business. Commercial First was able to advance £230,000 against a property value of £385,000 at 58.7% LTV. This case was completed less than two weeks from receipt of the fully packaged application.

The client used the finance to add three additional, fully automated milking stalls which had a significant effect on production volumes. The business is performing well and the client is planning further expansion during 2010, where she hopes to increase her dairy flock by up to 30%.