



Swindon & Wiltshire Growth Hub

Our job, our *only* job, is to help you succeed

The likelihood is that you've already met some of us before. We're a consortium formed through the Swindon and Wiltshire Local Enterprise Partnership, funded by central and local Government and led by "Inspire by Wessex Chambers" in partnership with Swindon Chamber of Commerce and Business West all with one aim - to help businesses in Wiltshire succeed and grow.

We provide a gateway to all available national and local business support, marshalling the best of government agency support and commercial expertise and advice delivered along with free, expert and impartial advice and direction through our team of business managers.

Our team help business through seminars and courses, networking, one to one meetings and we are always on the end of a phone



Rob Perks - CEO of Inspire

Getting finance when the Bank says "NO"

LOOK at this scenario:

Mrs S, a business owner, approached the Hub a few weeks ago to assist with financing additional premises for her business.

The purchase cost was around £250K and an additional £50K needed for refurbishments.

Mrs S had available liquidity in her Business of around £25K. The maximum her Bank would lend was 70% of the cost of the building - £140K.

Answer

Mrs S's Bankers proposal would mean the project could not go ahead as she had insufficient liquidity to fund the difference between the amount required and the mortgage available. The purchase of the building would allow the business to improve its turnover by £1m and net profit before tax by £200K. A compelling business opportunity.

It is not unusual for Banks to limit lending secured on commercial property to 70% of the property value. However, through one of our specialist finance partners, we were able to put together a lending proposition which relied on securing the lending on the value of the Business after the transaction was completed rather than on the property. Lending was secured partly on the property and partly on the future value of the Business. Finance was secured with one of the major Banks at an interest rate of 3.49% for £300K being the total value of the purchase plus the cost of refurbishments.

Needless to say, Mrs S was delighted and the project was able to proceed without using any of the Company's reserves. The moral of the story is don't take the response of your Bank as the end of the line.

Come and talk to the Business Hub Team and we may be able to secure a much better deal.

Delivered by



contact us on

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