

Funding and protecting your project

Tom McSherry, BuildStore



WHAT TO CONSIDER WHEN PLANNING, DESIGNING & FINANCING YOUR HOMEBUILDING PROJECT



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AGENDA

- Set your budget
- Work out your costs
- Design, construction & impact on finance options
- Establish your cashflow
- Stage payment mortgages
- The key to a successful project
- Your BuildStore journey
- Why BuildStore?
- Summary



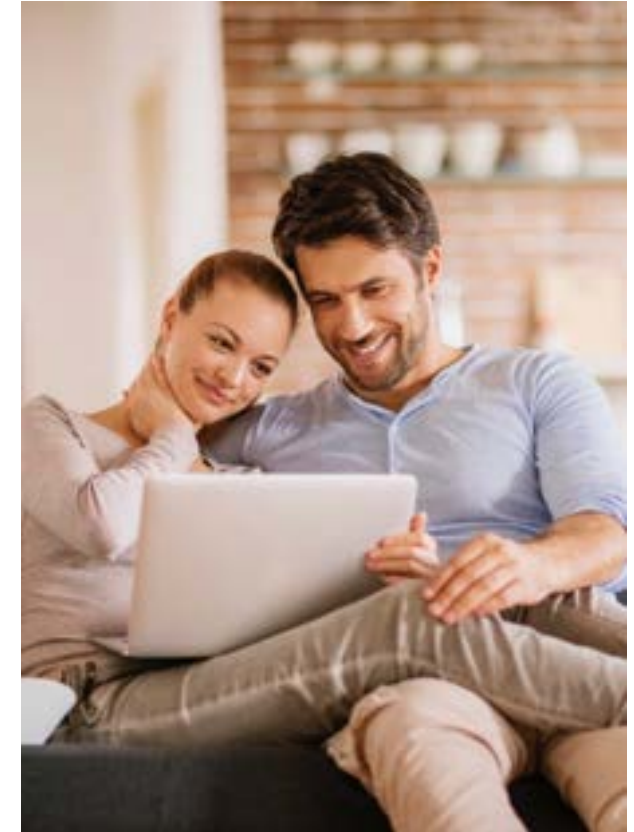
BUDGET

Start by knowing how you're going to fund your build and how much you have to spend.

Liquid Savings + Borrowed Funds = Total Budget

How much can you borrow?

- Typically 75% - 95% of your plot and build costs with a stage payment mortgage
- Dependent on your financial circumstances (*income, outgoings, employment status, credit score etc*).



COSTS

Everyday is a pay away day!

- Land/project purchase
- Fees
- Build costs (*materials & labour*)
- Unexpected expenses (*contingency*)
- Ongoing living costs (*mortgage/rent*)



And, if the right funds aren't available at the right stages of the build, delays are inevitable and often expensive

DESIGN, CONSTRUCTION & IMPACT ON FINANCE OPTIONS

Be aware of the external pallet and how this can affect lenders – check with us if unsure.

Ensure you can afford to include these elements:

- Zinc, steel, sedum roofs, flat roofs
- Lightweight render
- Timber cladding



CASHFLOW

Traditional mortgage priorities

- Low interest rate
- Minimal fees

Total loan amount

When building your own home, it's not just about how much you can borrow, but when that money is available

- Funds available throughout the build to complete each stage
- Build system / payment terms & invoices
- Expert advice
- At BuildStore, we will recommend a mortgage tailored to suit your finances, build & payment schedule



STAGE PAYMENT MORTGAGES

Valuation based stage payments

- Money agreed in stage payment subject to valuation in arrears
- Up to 85% of the cost of your plot and build
- Drawbacks
- When is it useful?

Cost based stage payments

- Created by and exclusive to BuildStore
- 85-95% of the cost of your plot and build
- Guaranteed stage payments based on your costs, in arrears or advance
- Key benefits



STAGE PAYMENT MORTGAGES

Which mortgage is right for you?

- Depends on your individual circumstances, project and cashflow requirements

Keep your options open and consult a specialist mortgage adviser

- Access to a wide range of lenders and products
- They can confidently recommend a mortgage to suit you

Other borrowing options

- Release equity from your current home
- Bridging loan* (12-month term)



**Bridging Finance is offered through BuildStore Development Finance, a trading style of BuildLoan Limited.*

THE KEY TO A SUCCESSFUL PROJECT

Organise your finances at the outset to ensure you have the money you need as the project progresses – cashflow is key

- The right money
- The right time
- The right place



YOUR BUILDSTORE JOURNEY

At BuildStore we're with you from start to finish offering support and guidance



INITIAL ADVICE

To recommend a tailored
borrowing solution
for your project



MORTGAGE APPLICATION

To secure a mortgage offer



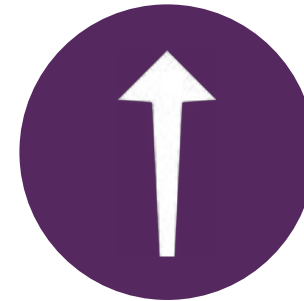
DURING THE BUILD

To facilitate your
mortgage releases



AFTER THE BUILD

To switch onto
a traditional
mortgage rate



GOING FORWARD

We will regularly review
your mortgage

WHY CHOOSE BUILDSTORE?

SPECIALIST

Knowledge &
expertise

EXCLUSIVE

Mortgages &
lenders

COMPETITIVE

Interest rates

INTEREST ONLY PAYMENTS

During the
build

GUARANTEED

Upfront stage
payments
available

TAILORED CASHFLOW

To suit your
payment
schedule

SUMMARY

- Cashflow is the most important factor – having money when you need it throughout your project is key
- Plan your homebuilding project around your budget
- Make sure you know the costs
- Going direct to a lender restricts your options
- Site insurance and structural warranty
- BuildStore specialist advisers have years of experience in self build, custom build, home improvement, renovation and extension projects and can help you make an informed decision

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*Your home may be repossessed if you do not keep up repayments on your mortgage.
For self and custom build mortgages we charge a fee of £295. £95 is payable on application and £200 on offer. For all other mortgages a separate fee policy applies.*