BUILDSTORE
MORTGAGE SERVICES

WELSH OAK FRAME

HOMEBUILDING FINANCE FOR WELSH OAK FRAME WITH BUILDSTORE

WITH YOU EVERY STEP OF THE WAY

FOR SMART HOMEBUILDERS

buildstore.co.uk
welshoakframe.com

Financing your Welsh Oak Frame Project

Finding a suitable finance provider is an important step in any self-builders' journey. BuildStore has been a leading provider in the UK for over 25 years, providing everything from specialist mortgages, to bridging loans and insurances. We know that BuildStore is a provider our customers can trust and rely on and we'll always recommend them to clients.

Paul Edmunds
Founder
Welsh Oak Frame

WELCOME TO BUILDSTORE

BuildStore is the UK's leading mortgage brokerage specialising in mortgages and finance, designed specifically for homebuilding projects.

When it comes to finding a mortgage for your homebuilding project, it's not as easy as dropping into your high street bank or hitting the comparison websites to find what appears to be the most competitive deal. Also, most mortgage brokers will only handle one or two enquiries of this type a year, if any, and in-depth knowledge of construction is not a prerequisite for the role of a traditional mortgage broker.

You'll need a more specialist approach.

BuildStore fully understands the complex and specialist nature of homebuilding finance. They have built solid relationships with lenders that no one else has, and have created over 60 exclusive mortgages, designed specifically to solve the common issues faced by individual homebuilders.

These unique funding solutions really set us apart from other mortgage brokers, and are the reason we can help many customers, who otherwise would not have the chance to build their dream home.

BuildStore has helped more than 30,000 people successfully build their own homes. Or, to put it another way, we could now fill a medium sized town with BuildStore projects.

4.5 OUT OF 5 TRUSTPILOT SCORE

SELF BUILD
CUSTOM BUILD
HOME IMPROVEMENT
RENOVATION
CONVERSION

MORE THAN 60 SPECIALLY TAILORED, EXCLUSIVE MORTGAGES

QUALIFIED PROJECT MANAGERS TO PREPARE AND ASSESS YOUR BUILD COSTS

SPECIALIST KNOWLEDGE IN CONSTRUCTION AND EXPERT KNOW HOW

DEDICATED CUSTOMER SUPPORT TEAM OFFERING SUPPORT AND GUIDANCE

GUARANTEED UPFRONT STAGE PAYMENTS BASED ON YOUR PROJECT COSTS

THE BUILDSTORE DIFFERENCE

At BuildStore, we've made it our mission to solve the problems traditionally associated with mortgages for homebuilding projects, making it easier for you to design and build your own home. With 100% focus on this specialist sector, our in-depth knowledge of construction and homebuilding finance and our range of exclusive mortgage products sets us apart from other mortgage brokers.

It is possible to access mortgage products directly from a handful of lenders, however, it's usually a very limited product range, which may not suit your individual project.

You may get a mortgage for the total loan amount you're looking for, but it's unlikely they will pay much attention (if any) to your build costs, and whether your mortgage releases match your cost and payment schedule.

For a successful project, your stage payments must be matched carefully to your build costs, or you can very quickly run into serious cashflow problems that can jeopardise your build.

It is precisely for this reason, BuildStore's highly qualified project managers will prepare and thoroughly check that your project costs are accurate and realistic, and their expert mortgage advisers will recommend a mortgage tailored to suit your build and payment schedule to successfully complete your home

HOW MUCH CAN YOU BORROW?

It depends on your financial circumstances and how much you can afford. As with any mortgage, lenders will assess your income and outgoings to calculate how much they are willing to lend you.

With a standard self build mortgage you can typically borrow up to 75% of your project costs, while with BuildStore's higher lending percentages you could borrow up to 95% or 100% if you already own your plot, with a maximum of up to 85% of the expected end value of your home.

BuildStore's dedicated support team is with you throughout your mortgage application, during the build and beyond - offering support and guidance, and dealing with any issues that may arise to ensure a smooth and stress-free project.

SOLID FINANCIAL FOUNDATIONS

Stage payment mortgages are specifically designed to suit the needs of homebuilders. They differ from traditional mortgages as they release funds in stages - in arrears or in advance. Depending on your individual circumstances, your stage payments will either be guaranteed based on your costs, or rely on an uplift in value at each stage. BuildStore offers a range of solutions from every project type and our products offer unique benefits you won't find elsewhere.

SOLID FINANCIAL FOUNDATIONS

COST BASED STAGE PAYMENTS

BuildStore's unique cost based mortgages offer guaranteed stage payments based on your build costs, either before or after each stage of works, depending on your payment schedule, and irrespective of lender interim valuation figures. This gives you complete certainty in your budget, and peace of mind knowing you'll have the cash you need, when it's needed.

KEY FEATURES

- Borrow up to 95% of your plot and build costs
- Guaranteed stage payments in arrears or advance
- A mortgage tailored to suit your individual payment schedule
- Interest only payments available during the build to keep costs low
- Interest only payable on funds as they're drawn down
- Access to a range of exclusive mortgages and lenders

KEY BENEFITS

- Stay in your current home until your new home is complete
- Avoid potential delays onsite, with the money to pay your bills on time
- Access the best deals on materials as a cash buyer
- Avoid delays caused by a valuer visiting the site before mortgage funds are released
- Control over your budget and peace of mind

VALUATION BASED STAGE PAYMENTS

A valuation based mortgage releases funds upfront to purchase your plot, and then after each stage of works are complete. With BuildStore, you can borrow up to 85% of the lender's valuation of your site at any time (compared to 95% of your costs with a cost based mortgage). Your stage payments are reliant on a valuation taking place which shows an uplift in value throughout the build.

This can cause problems because there is a risk of the property being devalued during the build – particularly during the foundations stage. Also, most lenders will hold a retention of 5 -10% of your loan until the build is complete – which is tricky in the latter build stages where you have electricians, joiners and plumbers onsite who need to be paid daily in cash.

Having said that, if you have sufficient savings or already own your plot and can remortgage to provide the funds to start works, valuation based payments could work for you.

KEY FEATURES

- Borrow up to 85% of the lender's valuation of your site at any time
- Stage payments in arrears subject to valuation
- Interest only payments available during the build
- Only pay interest on the money you draw down
- Access to a range of exclusive mortgages and lenders

WHICH MORTGAGE IS RIGHT FOR YOU

Cost based or valuation based stage payments? Funds released in advance or arrears? You are building a bespoke home and just as no two projects are the same, there's no one-size-fits-all funding solution. The right mortgage for you will depend on your individual circumstances, build and payment schedule. BuildStore's expert mortgage advisers will recommend and tailor your mortgage to suit your individual payment terms and project costs.

THE CASH YOU NEED, WHEN IT'S NEEDED

There are many factors to consider when building your own home - none more important than your cashflow.

The lowest rate, minimal fees and the total loan amount may be uppermost in your mind for a house purchase, but when it comes to building your own home, the single most important factor is your cashflow, and ensuring sufficient funds are available at the right time during your build.

The interest rate is less important because interest only payments can be arranged during the build, and you only pay interest on the funds you draw down at any one stage – keeping your monthly payments affordable. When your build is complete, you can switch onto one of your lender's lower rate residential mortgages.

With a loan amount of £250,000 your monthly mortgage payments for an interest only self build mortgage would be less than that of a traditional repayment mortgage.

During the Build

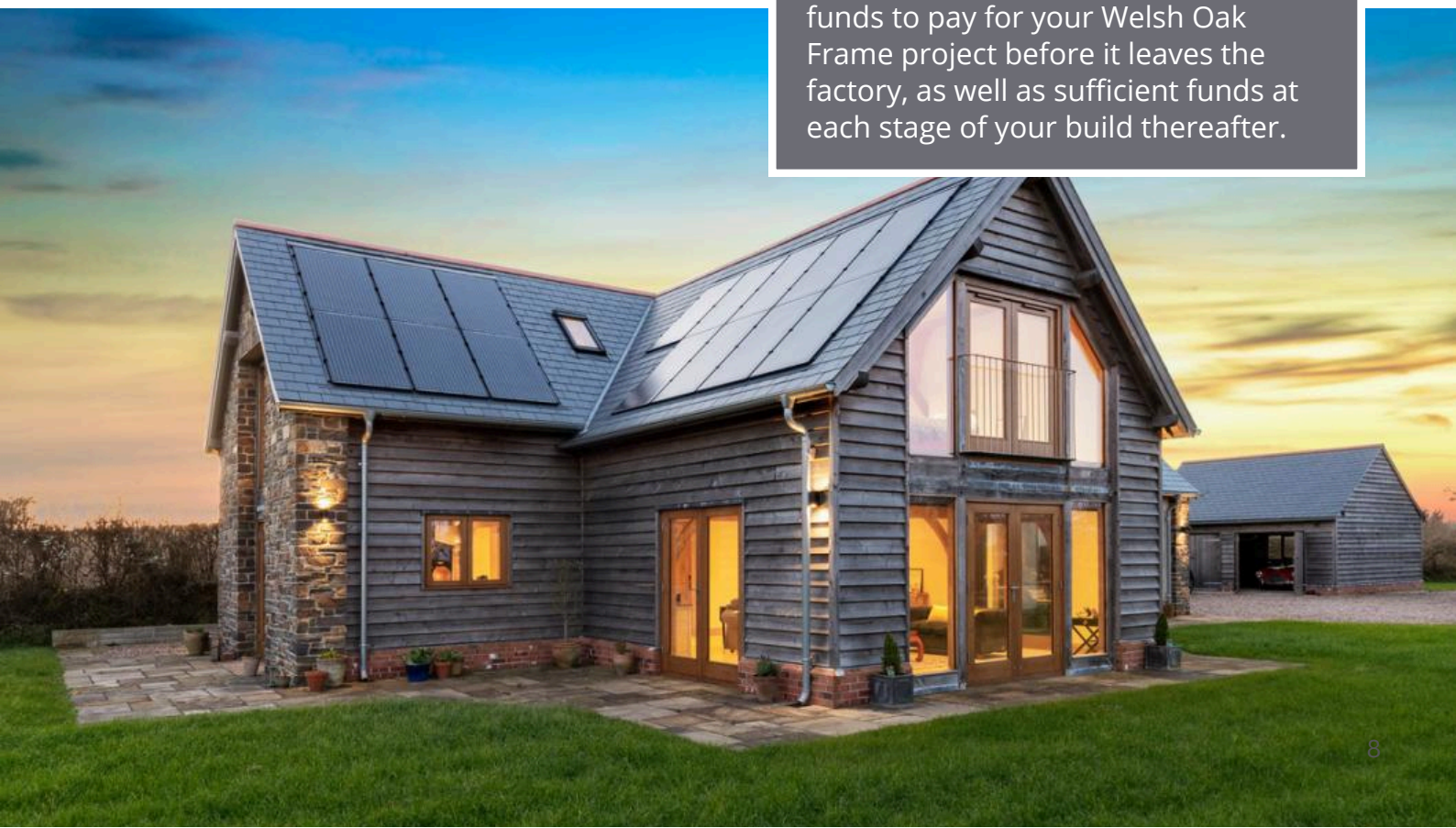
6.19% = £1,290 per month
(interest only during the build)

Build Complete

4.24% = £1,353 per month
(capital and interest over 25 years)

BuildStore will thoroughly check your build costs and prepare a tailored cashflow for you that forms your payment schedule, so that you know you have the necessary funds available at each stage, and there are no nasty surprises.

BuildStore will prepare a tailored cashflow for you, so that you have the funds to pay for your Welsh Oak Frame project before it leaves the factory, as well as sufficient funds at each stage of your build thereafter.



OTHER BORROWING OPTIONS

A stage payment mortgage isn't the only funding option available for your homebuilding project, there are other borrowing options available that may be more suited to you.

If you have enough equity in your current home or own it outright, you could remortgage or secure a bridging loan to pay for the plot, fund your build costs or both. Then when your new home is finished, you can sell your old one to pay off the loan. This way you can stay in your current home during the build and avoid the upheaval of moving, living onsite or renting during the build.

Purchasing a plot at auction?

You'll need to pay a 10% deposit upfront, and complete the purchase usually within 28 days. A bridging loan could deliver within these timescales.

BUYING TO SELL OR LET

A short term secured development loan would be a suitable borrowing option. Similarly, a bridging loan against an existing property could be used to purchase the property and complete the necessary works. On completion of works, you'll repay the loan by refinancing or selling your existing or new property.

EXPERT ADVICE

With so many different funding options on offer and a number of factors to consider, it's important to consult a BuildStore adviser who can recommend the right solution for you and your project.

BuildStore also has a dedicated short term funding team (BuildStore Development Finance*) with construction expertise, that can arrange competitive development finance and bridging loans.

*Development finance and bridging loans are performed by BuildLoan Limited. BuildStore Development Finance is a trading style of BuildLoan Limited

BUILDCARE SITE INSURANCE

Any lender providing you with finance for your project will insist that you have adequate insurance in place before releasing funds to you. BuildCare Site Insurance* provides comprehensive, highly competitive cover for your project.

SITE INSURANCE

It certainly makes sense to protect your project - in both time and money - against major problems. Flood, fire or theft could seriously impact on the timescale for your build and the budgeted costs - in fact, any one of them could have a disastrous effect on your ability to finish your new home. Site insurance will provide you with financial recompense if the worst does happen, and peace of mind that your project will continue as planned. Remember that normal house insurance doesn't cover either your building works or an unoccupied property.

BUILDCARE SITE INSURANCE

BuildStore has developed BuildCare Site Insurance, to provide cover for all aspects of your site during the course of your project.

PUBLIC LIABILITY

It's also worth bearing in mind that even if your builders have their own insurance, as far as accidents happening on your site and public liability are concerned, the responsibility lies with you. Public liability insurance is provided (through BuildCare Site Insurance) in respect of death, injury or disease to third parties - up to £5m for any one event. Employers' liability is also covered up to £10m.

Item	Sum Insured Limit of Indemnity	Included as standard
Building works, temporary works and materials	Cost of reinstatement up to 125%	●
Existing structure (conversions, renovations, extensions)	Cost of reinstatement up to 110%	●
Own and hired plant, tools and equipment	£50,000	
Residential caravan and contents, site huts and temporary buildings	£30,000	
Employees tools and personal effects	£ 2,000 (£500 per employee)	●
Personal accident	£20,000	●
Broken bones	£120 to £400 (depending on area affected)	●
Public liability	£5,000,000	●
Employers' liability	£10,000,000	●
Legal expenses	£50,000	●
Personal possessions	£5,000	●

*These insurances and warranty products are provided by BuildStore Insurance Services which is a separate company. Where appropriate your BuildStore Mortgage Services adviser will introduce you to BuildStore Insurance Services.

BUILDCARE STRUCTURAL WARRANTY

Only a 10 Year Structural Warranty will protect your project against a defect in the design, workmanship or materials of your self build or renovation project. BuildCare Structural Warranty* offers extremely competitive premiums, as well as excellent cover, and is accepted by lenders and recognised by the Council of Mortgage Lenders.

STRUCTURAL WARRANTY

Many self builders make the mistake of assuming that an architect's certificate will provide the cover for any defects in the structure or materials of their home. This simply isn't the case. With a BuildCare 10 Year Structural Warranty, you know exactly where you stand from the outset as the cover and exclusions are clearly set out in the policy wording.

An architect's certificate, on the other hand, only states that your house has been built to the required minimum standard and that it's up to you, the homeowner, to take legal action against the architect in the event of a problem, to prove that any structural fault is a result of their negligence. We probably don't need to point out that legal action can cost you dearly in terms of time and money, so it's much simpler and more effective to claim on an insurance policy which covers specific occurrences.

BUILDING REGULATION APPROVAL

Did you know that there's an alternative to using your local authority? You can now make your building regulation application through our panel of approved surveyors who operate in the UK. They have fulfilled rigorous government requirements and are licensed to act as building control inspectors. Our surveyors provide both a building control and inspection service with a fast turnaround. And using the same surveyor to carry out the building control function as well as the technical audit for the warranty can provide significant savings.

Summary of Cover

- The cost of complete or partial rebuilding or rectifying work to the housing unit which has been affected by major damage attributable to a defect in the design, workmanship materials, provided always that the liability of the insurers does not exceed the reasonable cost of rebuilding each housing unit to its original specification.
- The cost of making good any defect in the design, workmanship or materials in the drainage system which was newly constructed by the builder in connection with the housing unit and for which the policyholder is responsible.
- The necessary and reasonable costs incurred in repairing, replacing or rectifying any part of the waterproof envelope within the housing unit as a result of ingress of water caused by a defect in the design, workmanship, materials or components or the waterproofing elements of the housing unit.
- The cost of repairing or making good any defects in the chimneys and flues of the housing unit causing imminent danger to the health and safety of occupants.

Automatic extensions

- Additional local authority and building regulation costs
- Alternative accommodation costs
- Debris removal costs
- Additional professional fees

Visit buildstore.co.uk for full details of BuildCare Structural Warranty.

*These insurances and warranty products are provided by BuildStore Insurance Services which is a separate company. Where appropriate your BuildStore Mortgage Services adviser will introduce you to BuildStore Insurance Services.

PROTECT YOURSELF AND YOUR FAMILY

Building your own home is a major undertaking - don't risk leaving your mortgage, income or family unprotected. BuildStore works with major insurers to provide exactly the cover you need to give you peace of mind throughout your project.

DURING THE BUILD

During the build you will have some very significant financial commitments, not least of which may be mortgages on both your current house and your self build project. But what would happen if your income stopped due to sickness, accident or unemployment? How long would you be able to cover your monthly outgoings? It's a sobering thought.

That's where BuildStore Mortgage Services comes in. We can arrange cover so that even if your income stops, your mortgage payments will still be met.

AFTER THE BUILD

Once your project is finished, you'll still need to ensure that if anything happens to you, your family will be able to remain in the home you have built for them - so it makes good sense to talk through your requirements with one of our expert advisers.

We'll look at your individual circumstances and needs and offer advice absolutely tailored to your specific requirements - and products that will deliver maximum value should the worst happen.

BUILDSTORE OFFERS ADVICE ON:

- Life insurance
- Critical illness
- Accident, sickness and unemployment cover
- Mortgage protection
- Income and family protection

BUILDSTORE
MORTGAGE SERVICES

WELSH OAK FRAME

BuildStore Mortgage Services
8 Houstoun Interchange Business Park
Livingston
EH54 5DW

0345 223 4888
enquiries@buildstore.co.uk

Your home may be repossessed if you do not keep up repayments on your mortgage.

There may be a fee for mortgage advice. The actual amount you pay will depend on your circumstances. The fee is up to 1% but a typical fee £395.

Images courtesy of Welsh Oak Frame

FOR SMART HOMEBUILDERS

buildstore.co.uk
welshoakframe.com