Bridging Finance: the Only Solution to Buy New Property by Linda John

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While this may sound like the answer to their prayers and in fact can save you from losing your dream house, should be considered only as a last resort, since they are usually the most expensive way to borrow. But when taken in the short run may be the only solution to your problem.

First of all you must now what is a bridging loan is all about. Bridging loan is a loan which can be get quickly unlike other finance. There are two main types of bridge loans, which are called the open bridge and the bridge closed. The closure is available for those who have made a change in the property they already have, this is because it offers very few fall through after the change has started.

The open bridge loan is given to those who have found their ideal home, but have yet to put the houses that are currently on the market. A lot of support will be needed for this type of loan and you have to prove that you have a lot of equity in your property before receiving approval.

Those who offer a bridge loan can expect the lender wants to see the terms of the mortgage to the new property, together with details of the property and, of course, you must demonstrate you are doing everything possible to ensure that you sell your existing property.

The bridge loan lender will also want to make sure you can make payments on the loan and asked to show how you will do this and also how they could cope if the worst comes to worst and treat failed a few months later in the way.

Most bridging loan lenders that offer a bridge loan of this type will give a 12-month limit on the bridge loan. But, most lenders well negotiate after this time period provided, of course, that the interest is paid on the loan and there were no changes in circumstances.

The best way to obtain information regarding the bridge loan is to search online, here not only can you find information about different types and what is available, but you can make comparisons and find the cheapest deal for your circumstances.

As residential bridge loan, commercial bridge financing can be obtained in full ownership and leasing of commercial properties, commercial property investment and land with the consent of commercial landing. The lender will give you 60% of the market value of the property should not have any existing debt on it.

People usually prefer the bridge loans and commercial mortgage bridge loans can be organized within 5-10 days compared with the mortgage that you have at least 4-8 weeks to process. There are properties available that offer discounts for a certain period of time and it is not possible for commercial mortgage financing to come through immediately. Generally, banks have bridge loan department and there are agencies that are connected to commercial mortgage lenders, while brokers are not tied to these lenders.

One important thing to note about the bridging finance is that if you do not pay interest or provide a refund, you are at risk of losing your property. Therefore, it is advisable to consult your lawyer and ensure that the property you are buying is worth taking the risk and expense of extra money in interest.

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Linda John - About Author:
Linda can help if you are Planning for a Finance Bridging to buy a new property then first of all you must to know that a What is Bridging Loan and how Bridging Loan Lenders can help you. Visit to know more @ mybridgingfinance.co.uk

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