

Market Conditions Force Lenders to Withdraw

The onset of the credit crunch has limited the number of lenders in the commercial and business mortgage marketplace. New securitised lenders such as Commercial First have temporarily suspended all new lending. The problems relate to conditions in the global finance markets rather than the strength of the businesses themselves. The lenders cannot find new funding at an appropriate price from the money markets and therefore have withdrawn until this situation has been remedied. Stephen Johnson, sales and marketing director at Commercial First commented: "Events in the market including the recent collapse of Bear Sterns have meant the offer for the business and additional funding have been withdrawn. Collectively we are another victim of a banking crisis that was unthinkable only nine months ago." However there still remains a huge range of lenders including banks and building societies that brokers can negotiate finance with. Investors shouldn't fret as we are returning to the position of lending availability that was in the marketplace three years ago before the securitised lenders entered. Commercial First focused particularly on transactions where the business has a limited track record or accounting information, these transactions will be more difficult to fund in the current marketplace. However in the commercial mortgage market because rates and terms are negotiable it is still plausible to find funding for these types of transactions. Additionally investors should be aware some [Buy to Let](#) lenders have introduced commercial mortgage propositions such as CHL Commercial who offer a range of products through intermediaries. To discuss your commercial or business mortgage needs please telephone our team on 0845 271 0955

About the Author

Jonathan Moore writing on behalf of Mortgages For Business, specialists in [buy to let mortgages](#) and commercial mortgages. To find out more on current news in the buy to let market please visit <http://www.mortgagesforbusiness.co.uk/>

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