

**Trouble at the bank of ~~mum & dad~~ siblings**

**Vacant Land (2 lots side-by-side)**

**Location: Sunshine Coast Qld**

**Loan Amt: \$1.56m**

**LVR: 65%**

**Int Rate: Blended (1st & 2nd)**

**Client: Young family, uncond, settlement pending, siblings withdrew their funding support last minute, \$240k deposit at risk**

**November 2024**

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Unconditional on contract with \$240k non-refundable deposit at risk, my clients were desperate. Not only did they not want to forfeit their deposit, they very much wanted to settle their 2 land purchases. \$2-3m gross profit in jeopardy!

**Location:** Noosa Sunshine Coast Queensland.

**Circumstances:** My clients had entered into 2 unconditional contracts of sale to purchase side-by-side houses (knockdowns) zoned and suitable to construct 4 x 3-storey townhouses.

**Client contributions:** Immediate family members initially committed to fund the balance of the purchase price but at the last minute advised they no longer wanted to participate in the venture. The clients required a higher lvr loan now that they were on their own.

**Dire situation:** Their settlement was on the verge of being derailed. The purchasers went straight to the net and found us. Many phone calls, countless emails between all the parties and a client sometimes in tears as a result of what they were experiencing through no fault of their own.

**What I did:** I acted decisively and immediately secured a suitable funding line that would act quickly and that offered blended mortgages. I arranged valuations, prepared the offer letter and supporting documentation, determined the final amount required of them and nominated Bransgroves Lawyers for an urgent DocuSign loan agreement signup.

**Loan provided:** A loan to settle the 2 contracts at max lvr. Houses were deemed of no value resulting in the valuations being vacant land value only. Vacant land lvr's with most privates are in the range of circa 50% of the purchase price (can be lower when its deemed development). Using a blend of 1st & 2nd mortgage, I managed to increase their lvr from 50% up-to 65% and both loans approved. Prepaid interest meant no financials or accountant letter.

*Outcome was successful:* Didn't forfeit their 10% deposit and stand to gain millions from their property development endeavours on the sale of their 4 completed townhouses. Their 2 purchases were secured, days later clients commenced their applications to council, progressed fixed price building contracts etc.

**I turned an exasperating dire situation into a successful outcome achieving the best result possible for all parties in the transaction.**