

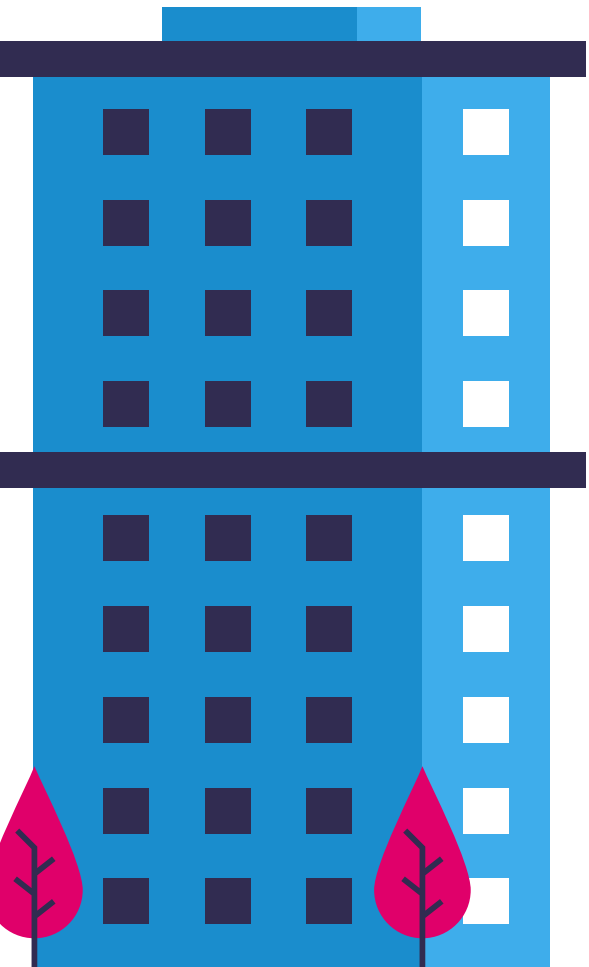
# SPECIALIST LENDING TOOLKIT

# COMMERCIAL MORTGAGES

A commercial mortgage is a loan you use when you want to buy or refinance a commercial property, e.g. a shop, office or factory. They offer people the chance to expand their business or start a new one.

You can use either land or a property as security against the loan. This means the lender may be less strict with their criteria.

Many landlords opt to diversify their investment portfolios by venturing into commercial properties. This decision is often driven by the attractive returns they offer, thanks to stable rental income from longer-term lease commitments.



There are also solutions for properties that have both commercial and residential uses, this is called a semi-commercial property. An example of a property like this would be a shop with a flat above it. To buy this type of property, you would need a semi-commercial mortgage.

How much you could borrow with a commercial loan depends on a few factors, such as: the loan purpose, the lender's criteria, your finances and credit history.

These loans are secured against a property, which could mean you might lose your property if you fail to meet your loan repayments.