

Lending Criteria

Permitted development is an exciting and integral part of the UK real estate landscape, and has opened up countless opportunities for developers to reinvigorate and repurpose existing buildings. By using existing structures, PD projects can prevent new carbon emissions compared with building a development from scratch.

Permitted development often presents unique risks and challenges. Our in-house team of lawyers, surveyors and credit experts is experienced in navigating these risks and in crafting bespoke lending solutions calibrated to each individual project and borrower.

Once in place, our facilities cover the developer's projected funding, enabling them to make seamless drawdowns and keeping the project liquid, funded and on track. And our professional team is always on hand to provide practical advice and assistance as the project progresses.

Item	Criteria
Security	1st legal charge, guarantees
Interest rate range	Dependent on leverage and risk from 7.99% fixed pa
Security types	Residential, Mixed Use, Student, Care Homes, Hotels
Treatment of interest	Rolled or serviced
Max gross loan to GDV	60% commercial 70% residential with discretion to go higher
Max loan to total cost	90%, 100% development costs
Min/Max loan term	6-24 months
Min/Max loan size	£2m - £15m
Third party mezzanine and second charges	Considered
Refinance	Yes
Geographical lending areas	England, Scotland & Wales
Mixed schemes	Yes
Fees	Typically 1% arrangement fee, 1% exit fee
Minimum interest	Typically, 3 months
Current lending preferences	<ul style="list-style-type: none"> ▪ Professional developers with a track record of similar developments ▪ Assets converting to residential ▪ Urban location with good local amenities ▪ Sympathetic and appropriate schemes typically under 50 units ▪ Good projects requiring extra leverage