

Finish & Sell

Developer exit loans from 0.84% per month

“Ideal if your units are wind and watertight”

What is a developer exit loan?

Our developer exit loans are not solely limited to projects that are near or have reached practical completion. They can be obtained much earlier in the build process.

Once a development has reached a stage where it is wind and watertight, we can lend up to £5 million on a completed valuation basis.

This effectively allows developers to reduce the cost of finance during the term of their development, including covering future drawdowns as needed.

Why use development exit finance?

At Saxon Trust we understand that developers may wish to change lenders during the build. Relationships with development lenders do not always run smoothly and if things are not working out the advantages of a Finish & Sell loan can be threefold:

1. The developer can obtain a cheaper rate with the project at a wind and watertight stage than the original ground up loan.
2. If the developer has experienced unforeseen delays and their existing lender is unwilling to extend, or charging excessive rates and fees to do so, a Finish & Sell loan can provide the extra time needed to complete the project.
3. The existing development lender may have stopped paying drawdowns, for instance if they are experiencing financial difficulties – this has happened several times in recent years.

Key lending criteria

Loan size:	£100,000 to £5,000,000
Loan Term:	6 – 18 months
LTV:	Up to 75% based on the market value of the completed project
LTGDV:	Up to 75%
Interest:	Retained, rolled, or serviced
Adverse:	Considered on a case-by-case basis
Charge:	1 st Charge
Borrowers:	UK residents, companies, trusts and certain non-residents considered

Rates and fees

Interest rates:	From 0.84% pm
Arrangement fees:	From 1%
Early repayment fees:	None
Exit fees:	From 1%
Broker fees:	None

Property

Location:	Properties across England and Wales.
Type:	Residential and mixed-use properties, including flats and HMO's all acceptable
Security:	Multiple securities welcome

To complete a Finish & Sell loan we will require confirmation that the unit(s) are wind and watertight by way of a QS assessment and updated valuation of the project.

It would also be useful to know if there any agreed off-plan sales at this stage.