

SPECIALIST LENDING TOOLKIT

DEVELOPMENT FINANCE

Development finance offers short-term funding specifically for investors to undertake residential or commercial building projects.

You can use development finance for a range of purposes, including; converting existing buildings, developing residential or commercial buildings or even creating a property portfolio.



The interest rate you will incur can vary, but since it's a short-term solution, it's typically more expensive compared to other loan types.

You usually repay the loan in full at the end of the term. You can do this by either selling the property you developed or by refinancing it.

If you have not completed your plans by the end of the term, you may be able to use development exit finance to pay off the loan and extend your time frame.

The amount you may borrow depends upon many factors. This can include the type of project, the existing value of the land or property, the level of funding needed and the estimated value of the property or land once the project is complete.

Remember, any property or land used as security, which may include your home, may be repossessed if you do not keep up repayments on your mortgage.