

Development Finance from concept to completion...

From concept to completion...

With over 30 years' experience financing developers, we speak your language and recognise efficient financing is integral to successful development. If you are a developer with a proven track record or just starting out, we wish to hear from you.

Our USP is individually underwritten loans by people for people, not tick boxes and algorithms. We finance land, new build developments, conversions and refurbishment projects. We lend for purchase and refinance, for residential, commercial and mixed-use schemes, with funding throughout the life of the development.

We like to lead, not follow. We are innovative and lend up to 90% of total development cost, pay stage advances promptly and our asset managers remain in close touch with you to be on hand to solve problems without delay or to help you take advantage of opportunities as they occur.

We have a clear cut vision to be ALTERNATIVE by name and culture, we deliver solutions, swiftly, simply. By being fair, transparent and flexible, we create lasting relationships. We are easy to talk to - from Connie who answers our phones (and has done so for the past 20 years!) to our Directors, we are here to make your journey enjoyable.



Call us now for more information or to discuss your next project.

Brian Rubins
Executive Chairman

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The ALTERNATIVE way...

What we do, and how we do it

- > We provide vanilla development loans to fulfil all your basic requirements and innovative solutions to satisfy your more ambitious needs.
- > We finance up to 90% of total development cost including land, construction, fees and interest for new build, conversion and refurbishment projects.
- > We combine an exit facility with a land and construction loan to cater for the changing circumstance throughout the lifetime of the development.
- > Our Lifetime Development Loan includes a top-up advance to release working capital, and a reduced rate of interest during the sales period.
- > We unblock cashflow bottlenecks with our ALTERNATIVE Overdraft which provides working capital when it is needed.
- > We make bridging loans to assist with early stage site acquisition and other short-term funding requirements.
- > We provide term loans to help you to retain part or all of the development as an investment.
- > Our Heads of Terms are transparent, making sure that all costs are clearly identified and that you are fully aware of all the details of the proposed arrangements before committing to any expense.
- > To complete your financing without delay, our solicitors work closely with our underwriters, each understanding the other's requirements.
- > Our valuers and monitoring surveyors have ongoing relationships with us and know what we need.
- > We liaise with all involved to ensure you are kept fully informed, and your loan is completed without fuss or delay.



ALTERNATIVE Development Finance...

... for new-build developments and conversion projects

Development 80

Funding for residential, commercial and mixed-use schemes, we lend up to 80% of total development cost or 65% of Gross Development Value.

Loans are from £350,000 to £5M or more, to finance or refinance site purchase, construction, fees and interest. Our Lifetime Development Loan provides an extended sales period, and following practical completion, a top-up advance if required, and a reduced interest rate during the sales period.

We structure the facility to match the project, making certain there is adequate finance and time to complete the development. You need to be confident of your finance arrangements so we ensure lending decisions are swift and loans are completed efficiently. Certainty of completion is paramount.

Our asset managers remain in close contact with you throughout the project, visiting the site as necessary, to ensure stage advances are agreed and paid promptly and small problems are resolved in their infancy and opportunities are maximised as they occur.

alternativebridging.co.uk/development-finance

Development 90

Our stretched senior loan, Development 90, is available for experienced developers with a proven track record. Development 90 is structured similarly to our standard facility but provides for 90% of total development cost including land purchase, construction, interest and fees.

Development 90 operates simply without the need for a mezzanine loan. It is one loan, one competitive blended interest rate, and one point of contact. It avoids duplication of professional fees and is the ideal facility for developers seeking to undertake additional projects within limited capital resources, without added layers of supervision and expense.

alternativebridging.co.uk/development-90



ALTERNATIVE Refurbishment Loans...

**... for purchase and improvement
of existing buildings**

Light Refurbishment Loan

We help bring life into tired properties, financing the property purchase, refurbishment cost, interest and fees with loan arrangements from £350,000 to £3M. Properties can include private dwellings, buy-to-let investments, HMO's, blocks of flats and student accommodation.

The loan can be a first or second charge and provides up to 70% of the improved value and is advanced in three stages, all agreed at outset. First a loan for the purchase or refinance, followed by stage advances as the development progresses and a final release at practical completion. In this way, dependent upon the increase in value, all or most of your equity can be released at practical completion to invest in further projects.

Improvements include decoration and installation of new bathrooms, kitchens, staircases, heating, plumbing, electrical installation, etc. within an existing structure. Documentation and formalities are minimised, usually without the expense of a monitoring surveyor.

Interest is funded within the facility and the rate of interest is reduced following completion of the improvements, with the loan being repaid from either the proceeds of sale or refinance or transfer to an Alternative Term Loan.



Heavy Refurbishment Loan

Suitable for converting commercial premises to residential use, or for the structural reconfiguration and extension of existing residential properties for which planning permission may be required.

We review internally the contractor's proposal, plans and elevations and the planning permission, if this is needed for the improvements to be carried out. Thereafter our valuer and monitoring surveyor will carry out the usual due diligence.

We fund the total development cost including interest and we agree at outset the amount of the purchase loan and the final release available on completion of the works. Our asset managers remain in close contact with you throughout the project, visiting the site as necessary, to ensure stage advances are agreed and paid promptly, and small problems are resolved in their infancy with opportunities maximised as they occur.

Interest is funded within the facility and the rate of interest is reduced at practical completion until the loan is repaid from either the proceeds of sale or refinance, or transferred to an Alternative Term Loan.

alternativebridging.co.uk/refurbishment-bridging-loan



ALTERNATIVE Exit Loans...

**...low-cost loans for
completed projects**

ALTERNATIVE Development Lifetime Loan

The ALTERNATIVE Development Loan can be combined at outset with an Exit Loan, to create a Development Lifetime Loan, funding the scheme from concept to completion, finance for acquisition, construction and the sales period.

Following practical completion the initial sales proceeds will be used to reduce the loan. Thereafter, if required, an additional advance can be made up to 70% of the gross development value of the remaining units, releasing equity for investment in other projects.

With development and exit loans combined, duplication of costs are avoided and at practical

completion, the rate of interest will be reduced during the sales period, providing a meaningful cost saving.

Refinance Exit loan

The Refinance Exit Loan provides for repayment of your existing loan, additional funding, and an extended sales period at a reduced rate of interest.

Following practical completion, or before if you wish, we will refinance your existing development loan enabling you to repay your lender in a timely fashion. Thereafter we allow a period for your sales programme to be completed without pressure in an orderly way, to maximise realisations.

Usually secured by a first charge, but with the alternative of topping up your existing facility, an exit loan will release working capital for you to invest in other projects and reduce interest costs during the sales period.

Refinance costs are usually minimised because we can often be guided through due diligence by the valuer and monitoring surveyor who reported to your previous lender.

alternativebridging.co.uk/lifetime-loan



The **ALTERNATIVE** Overdraft...

...liquidity on tap

A truly flexible loan facility available for two years and then subject to review which can be secured on first charge for residential and commercial properties and second charge for residential properties. It provides multiple drawdowns on demand which can be repaid or reduced and redrawn again and again. Interest is charged on the balance outstanding and can be serviced or accrued.

Loans are from £250,000 to £3M and enable under-utilised assets to play a prominent role in your finance arrangements.

Unlike standard bridging loans, the ALTERNATIVE Overdraft remains available to call upon as and when needed and avoids expensive, repetitive setting-up costs. It is the perfect facility to use for site acquisitions and auction purchases or to fund work in progress. It is best secured by first or second charge on under-utilised property assets.

alternativebridging.co.uk/altoverdraft



ALTERNATIVE Term Loans...

...property finance for the longer term

Interest-only loans from £250,000 to £2M for up to five years for purchase, refinance and property improvement or to release working capital.

ALTERNATIVE Term Loans can be secured by a first or second charge over residential investments, office buildings, retail premises or industrial and distribution properties.



With our policy to listen and learn, we can often lend when others will not. Our lending decisions are made by people for people, not by algorithms. Loans are structured to match cashflow including special arrangements for interest to be accrued when the property income is not yet stabilised.

Loans are for up to 65% of valuation and as income is improved or other improvements effected, and the value of the asset increases, additional advances can be made. It is a flexible loan particularly suitable for asset management situations.

alternativebridging.co.uk/term



Signed, sealed and delivered

ALTERNATIVE Case Studies

Site and Development Loans

£3.4M, Wirral, Liverpool

Alternative Bridging Corporation provided a bridging loan to finance holding and planning costs which was converted to a £3.4m development loan, to bring an iconic Liverpool landmark back to life.

Situated on the Wirral peninsula, a former care home for widows of Liverpool seafarers, the Edwardian property was originally built in 1906 and had been left derelict for more than ten years. It was threatened with demolition until a petition by Save Britain's Heritage gained nearly 6,000 signatures following which Alternative's developer client purchased the property and negotiated planning permission.

The £3.4m development loan will fund the regeneration of the property to deliver thirty-four flats and four houses in Phase One and discussion is now active to continue with eleven flats in Phase Two.



Completion of the refurbishment of the existing building facilitates Phase Three, the development on the adjacent site, where ninety-eight apartments are to be constructed in three blocks. Amongst the new homes being built in Phase Three twenty-six will be used by the Nautilus Welfare Fund – a registered charity that supports retired seafarers and their dependents.

Pre planning Bridging Loan

£670,000, North London

Having almost completed his existing project, five detached houses financed by ALTERNATIVE Bridging, our developer client was anxious to purchase his next site, a retail investment with a large rear garden in North London. Our client had met with the planners and was confident that if an application was made, planning permission would be granted for two roof-top apartments and mews houses in the rear garden.

The challenge was twofold. First to complete the purchase in a limited period as contracts had already been exchanged, secondly to fund 100% of the purchase price. ALTERNATIVE agreed a facility of 65% of value of the property for the purchase and provided the balance by releasing funds ahead of sales from the client's current project.

All of this was agreed within a day of first hearing of the proposal. ALTERNATIVE instructed solicitors and valuers with whom they have close relationships, and the valuation was received in five days and the loan completed the day after the report on title was received, only 16 working days after the file was passed to our underwriters.

Overdraft and Development Loan £2M, Development Site - Bedfordshire

The developer's programme comprised three adjacent sites. The first was under construction, the second had outline planning permission, and the third was shortly to be acquired.

Working capital was needed to invest in the second and third sites, ensuring they were development ready on completion of the first. Not all the funds were needed immediately so an ALTERNATIVE Overdraft secured by the second site perfectly satisfied the client's requirement for an initial loan and further drawdowns, as and when required.

Being able to repay and redraw repeatedly over 24-months, with interest only charged on the balance outstanding at any time, we provided a cost-effective loan with the flexibility needed by the developer.

Having prepared the second site for development, with detailed planning permission now in place, an ALTERNATIVE Development Loan replaced the Overdraft, enabling the flats in site one and the houses in site two to be developed in parallel.



Residential Development Finance Facility

Fife, Scotland - £3.25M

A Fife based contractor-developer needed to refinance its bridging loan and organise a construction facility including fees and rolled-up interest. The project involved the construction of 45 homes to be built in four consecutive phases each to be purchased by the local authority.

Following issuing Heads of Terms, modelled to reflect the construction and sales cashflow, a meeting was held on-site with the client and our Asset Manager, to make sure the nuances of the project and its financing were fully understood by all parties.

Thereafter the developer confirmed approval of the terms and for us to instruct our valuer, solicitor and monitoring surveyor. The challenge was to complete complex due diligence and for the loan to be drawn in 22 working days on schedule.

Working with a well-advised client, with total co-operation between all the professionals, a complex financing was completed within the agreed, short timescale.

alternativebridging.co.uk/case-studies

Let us help you...

We think outside the box, have over 30 years' experience and provide a diverse range of Development Finance facilities. We make sure your financing meets all your requirements.

With a deep understanding of the development process and a short line of command, we ensure decisions are swift and loans are completed simply and efficiently. We build lasting relationships and remain available to assist you throughout the life of the loan.

Call us now, let us help you as we have many other developers in the past.

020 8349 5190

Brian Rubins, Executive Chairman





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alternativebridging.co.uk



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