

## Title:

How To Raise Money For A Residential Development

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378

## Summary:

From building one or two homes on a small plot, to a fully-fledged residential development, it's important that you have the right finance in place, or your project can ground to a halt.

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## Keywords:

development finance

## Article Body:

From building one or two homes on a small plot, to a fully-fledged residential development, it's important that you have the right finance in place, or your project can ground to a halt.

Acquiring land and derelict buildings for residential development is a key trend in the UK housing market. Demand for housing coupled with a lack of available land means that developers need to be creative with their plans in order to provide well-built housing that fits in with the local community.

If you are new to this type of development, or you are planning an unusual or large project, one of your first considerations is how to finance it. You could get a regular loan or mortgage, but these are often not available for development purposes and lenders may not be happy to loan as much money as you require. If you have been developing property previously, you may have money in the bank, but this is not usually enough to buy the land or property and then to develop it.

There are specialist finance agencies who are experts in providing finance for developments. These companies have experience in assessing the development potential of a site and in forecasting returns from it, which means they are happy to lend development capital. Some of the benefits of using this type of

finance include:

- Flexibility - a specialist will be able to lend you the money for a term that suits you; from as little as a month to help with bridging loans, to the whole period of your development.
- Expertise - a good development finance company will understand your plans and ask about your expected returns and your timescale. Their attention to detail can help you to refine your plans.
- Bespoke finance - Talk to one of these specialist companies about your plans for the development. Your loan and any repayments can often be tailored to the scale and length of your project, rather than imposing harsh conditions and time periods.

It makes sense to use a specialist finance company if you're planning any sort of development. Not only can you easily raise the money you need, but the loan can be tailored to your particular project and you can benefit from the company's expertise and advice.