

# Masthaven Bank Development Finance Product Guide

**This information is for the use of mortgage intermediaries only**

# Development Finance



Monthly Interest Rate	Interest rates are charged at: – 0.95% up to 40% GDV – 1.05% up to 50% GDV – 1.15% up to 60% GDV
Min Loan Size	£150,000 (£100,000 when completing an existing project)
Max Loan Size	£2,000,000
Term	Minimum 3 months, up to 12 months for regulated loans and up to 18 months for non-regulated loans.
Max Loan	Up to 50% of site value/PP (up to 25% of PP if self build or land unencumbered) plus 100% of build costs
Max Loan to GDV	Up to 60%
Arrangement Fee	2.0%
Commission Payable	1.0%
Application Fee	None
Exit Fee and Early Repayment Charge	No early redemption charges subject to a minimum first month's interest, calculated as daily interest in the month of redemption
Loan Type	FCA and Non FCA
Location	England and Wales

**Your property, provided as security for the loan, may be repossessed if you do not keep up with payments.**

**All rates quoted are fixed for the term of the loan.**

Description
Min Loan Size: £150,000 (£100,000 where purpose is to complete work).
Min Property Value: £150,000 unit value and £250,000 GDV for new build only.
For use on a 1st charge basis for funding new build developments, properties that require significant structural work and properties with change of use or change in number of units in mainland England and Wales (Scotland by exception).
Max Loan: Up to 50% of site value/purchase price (up to 25% of purchase price if self build or land owned unencumbered) and up to 100% of build cost.
Max Loan to GDV: Up to 60%.
Max Loan Size: £2,000,000 (slightly larger loans considered on a case by case basis).

Redemption Penalties
No early redemption charges subject to a minimum first month's interest, calculated as daily interest in the month of redemption.

## Key Criteria:

Build Costs
Masthaven will lend up to 100% of the build costs on a drawdown basis in arrears.

Property Types
Primarily residential standard construction schemes only. Mixed schemes (max 25% B1, A1 and A2 commercial) are permitted. Max 12 units per scheme. Grade II listed conversions considered dependent on experience.

Additional Site Visits
Prior to each drawdown a site inspection will be required at a cost that is payable by the borrower. Funds will be released at pre-agreed stages throughout the build.

Age Restrictions
Minimum age 21, maximum age 75 on completion.

Credit History
All types of credit history considered on an individual basis subject to scheme and LTV limits.

Companies
UK Ltd and Overseas registered companies with shareholders resident in the UK. Personal guarantees and debenture required. When lending to overseas companies, we will require a legal opinion that the corporate entity is valid and has the capacity to borrow. The borrower will be liable for the costs in obtaining this opinion.

Tenure
Freehold properties. Long leases considered on a case by case basis.

Payment Options
Interest payments will be rolled up to the end of the term of the loan.

Arrangement Fee
The borrower will be responsible for the valuation and Masthaven's legal fees. The Arrangement Fee will be deducted from the first drawdown.

Valuation Fees
All valuations fees must be paid upfront. The fee covers the cost of an external valuation.

Legal Fee
All legal fees must be paid upfront. Solicitors will be instructed on receipt of legal fees. In the event of the loan not completing, a refund will be paid of any unused part of the fee. The exact amount charged is dependent on the amount of time spent on the case by Masthaven internally and by Masthaven's solicitor.

Security Release Fee
Upon redemption of the loan the borrower will be required to pay a Security Release Fee per title. This charge covers the administration process of redeeming the loan, including preparation of redemption statements, dealing with enquiries and releasing the charge over the security(ies). Please refer to the Tariff of Charges.

Redemption Legal Fee
Upon redemption of the loan the borrower will be required to pay a fee to cover Masthaven's legal costs to redeem the loan. Masthaven do not make a profit on the fees charged by their solicitors. Please refer to the Tariff of Charges.

Exit Route
Confirmation regarding a satisfactory exit route is required for all cases.

Experience
Developers must have previous relevant experience however no experience required if self-build project provided experienced builder is instructed.

Residency
Acceptable passport holders resident in the UK with an indefinite right to remain – including UK, EU, Australia, Canada, Hong Kong, Iceland, Japan, Jersey, New Zealand, Norway, Singapore, Switzerland and USA.

Masthaven Bank Limited is a company registered in England & Wales with registration number 09660012 and whose registered office is at: 4th Floor, 11 Soho Street, London W1D 3AD. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (Firm reference number 719354). Tel: 020 7036 2000\*. Email: enquiries@masthaven.co.uk Website: www.masthaven.co.uk \*calls may be recorded for quality and training purposes.



For more information  
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or call **023 8045 6999**

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