Venture Finance

Debt Capital & Structuring: Real Estate

FOR PROPERTY DEVELOPERS

Development finance, *structured to get schemes built*

From site purchase to exit, we arrange and structure £1m to £50m of development debt. Led by Chartered Accountants who invest in property themselves, we build the funding around your programme, your numbers and your exit.

DEVELOPMENT · MEZZANINE · BRIDGING · TERM EXIT

WHO WE ARE

Accountants by training. *Investors by practice.*

Venture Finance is a closely-held debt capital advisory firm based in Sheffield, working with developers, investors and landlords across the UK. Our directors, Kiran and Joanne Patel, are both Chartered Accountants with an active property portfolio of their own. We read a deal the way a lender does, and we invest the way our clients do.

For developers, that means a funding package designed around the build programme and the exit, not just the headline rate.

£1m–£50m	ACA	Principal-led	Beyond the high street
Development and investment debt, arranged and structured	Chartered Accountants leading every mandate	Direct access to directors, start to finish	Banks, debt funds, private credit and family offices

WHAT WE STRUCTURE FOR DEVELOPERS

01
Development & Mezzanine Finance
Senior and stretch development debt, with mezzanine layered where it improves the equity position, drawn in line with your build programme.

02
Site Acquisition Bridging
Short-term capital to secure sites quickly, including ahead of planning, with development finance lined up to follow.

03
Conversions & Change of Use
Office, retail and pub conversions to residential, including permitted development schemes, funded around the works and the planning route.

04
Development Exit & Term Refinance
Refinancing out of development debt into sales-period bridging or long-term investment debt if you keep the units.

05
Lender-Ready Credit Packs
Cash flow, drawdown schedule, stress testing and a written credit paper, prepared by accountants so lenders decide faster.

06
Complex & Specialist Assets
Mixed-use schemes, supported living, serviced accommodation and other assets that do not fit a standard lending box.

INSIGHT

Structure first, *then the rate*

On a development, the interest rate is rarely what makes or breaks the deal. The structure is: how much debt, in what layers, on what terms, and with what exit.

LAYER	TYPICAL REACH	INDICATIVE COST	SECURITY
Senior debt	Up to about 60–65% of GDV on development	Lowest margin in the stack	First charge, paid first
Stretch senior	Up to about 70–75% of GDV, one facility	A premium over senior	First charge
Mezzanine	From senior to around 75–85% of costs	Significantly higher, often with a profit share	Second charge
Equity	The balance, typically 10–35% of costs	Highest expected return	First loss, all the upside

Indicative ranges for the UK mid-market; they move with lender appetite.

Why structure beats rate. A developer borrows £2m for a 12-month build and 6-month sales period. An 18-month facility at 0.5% less saves about £15,000. If the build runs four months late, extension fees, default interest and a rushed refinance can easily cost £60,000–£100,000. A 24-month facility would have absorbed the delay. *Illustrative example.*

FIVE QUESTIONS TO ASK BEFORE YOU SIGN A TERM SHEET

1. If the build runs six months late, is the debt still inside its term and limit?
2. If values fall 10%, what happens to my profit and my loan-to-value covenant?
3. What is the total cost of this facility over its life, not just the rate?
4. What is my exit, and what is my fallback if it fails?
5. Does this structure suit my next deal as well as this one?

CASE STUDIES

Structured for the *deal in front of us*

Every scheme is different. These recent mandates show how we match the structure to the site, the programme and the exit.

Ground-up

NEW BUILD · BIRMINGHAM

From site purchase to a term mortgage exit

CHALLENGE A ground-up development needing funding from land purchase through to a long-term hold.

STRUCTURE Development finance drawn in line with the build programme and monitoring surveyor sign-off, with the exit planned from day one.

OUTCOME Completed without a single stalled drawdown, then refinanced onto a term mortgage.

~£3m

CONVERSION · GREATER MANCHESTER

Off-market pub-to-flats conversion

CHALLENGE An off-market former pub, sourced through the client's own network, that needed securing quickly.

STRUCTURE Bridging finance to buy the site ahead of planning, with development finance to follow for the build.

OUTCOME The client exchanged quickly and secured the site, with time to take the scheme through planning.

20-year

SPECIALIST ASSET · SUPPORTED LIVING

A block of flats moving to supported living leases

CHALLENGE A whole block transitioning onto 20-year supported living leases, an asset class many mainstream lenders find hard to underwrite.

STRUCTURE Structured debt built around the lease, the operator and the building's suitability for its new use.

OUTCOME A funding route for an asset that does not fit a standard lending box. (Live mandate.)

> *"A well-designed scheme deserves a funding structure that gets it built."*

WORKING WITH US

For clients *and the people who refer them*

1 Talk

A short call about the deal, the timetable and what you want to achieve. A no-names conversation is fine.

2 Assess

We review the numbers, the asset and the exit, and give an honest view on what is achievable.

3 Structure

We prepare a lender-ready case, approach the right lenders and present the options clearly.

4 Complete

We manage the process through to drawdown, coordinating valuers, solicitors and surveyors.

For developers

- A funding structure built around your programme and exit
- Drawdowns aligned to monitoring surveyor sign-off
- Lender-ready credit packs that speed up decisions
- Clear comparison of options: cost against equity
- Straight answers, including when a scheme doesn't stack up yet

For introducers

Accountants, solicitors, architects, engineers and other advisers introduce clients to us when their property plans need well-structured debt.

- Your client stays your client, and we keep you updated with their consent
- No cross-selling into your area of expertise
- A same-week conversation with a director
- Introductions run both ways: our clients need trusted advisers too
- Introducer arrangements available on request

WHEN TO BRING US IN

- Before you commit to a site, to test what is fundable
- Planning granted and the build needs funding
- A conversion or change of use with structural works
- A facility nearing its term without a clear exit
- A scheme declined elsewhere or stuck at valuation
- Debt of £1m or more is needed, or likely to be

THE DIRECTORS

Kiran Patel ACA
DIRECTOR

Kiran's background spans audit, in-house accounting and hands-on property investing. He is as comfortable interrogating a set of accounts as he is assessing a scheme's viability on the ground.

Joanne Patel ACA
DIRECTOR

Joanne brings an accountant's eye to every deal. With 14 years in accountancy, she co-founded Venture Finance to close a gap she saw constantly: consultants who understood lending, but not the numbers underneath it.

WHY CLIENTS AND INTRODUCERS WORK WITH US

Accountant-led
Every case is built from the numbers up: cash flow, stress tests and a credit paper lenders can act on.

Investor experience
We own and manage property ourselves, so we understand programmes, voids, refurbishments and exits first-hand.

Principal access
You deal with Kiran or Joanne from first call to drawdown, and so does anyone who introduces you.

Further reading. Our insight articles, including "Beyond the Cheapest Rate: Structuring Debt Capital for Real Estate", are available from the downloads section of our website.

Let's talk about your next scheme

A 20-minute call is usually the best place to start.

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SCAN TO VISIT OUR WEBSITE

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