



# Building Bridges: Developments in the bridging market

*How the bridging sector is evolving and creating more opportunities for you to help your clients*

**Matthew Tooth**, Head of Distribution, LendInvest

**Damien Druce**, Business Development, LendInvest

# Who we are



✓ Formerly **montello** | BRIDGING FINANCE

✓ Lending since 2008

✓ £830 million lent

✓ **Bridging & Development Finance** specialists

✓ **Speed & flexibility** for borrowers

**100+** staff in London, Manchester & Scotland

# What does bridging mean now?

**Classic definition - Bridging loans** are used to 'bridge' a gap between a debt coming due and the main line of credit becoming available. A short-term **loan** in pressing circumstances.

**Our definition - Bridging loans** are used to 'bridge' a funding gap to enable the borrower to seize an opportunity before the main line of credit becomes necessary.

## Examples of best use cases for bridging

---

### Residential

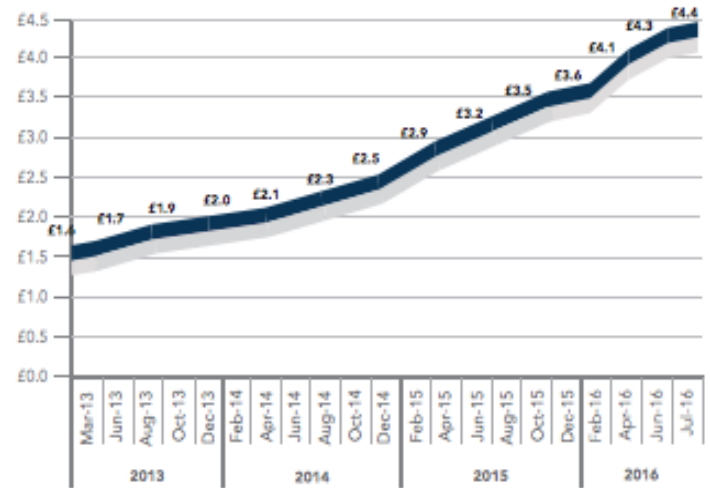
Auction finance  
Property re-fits  
Capital raising  
Chain breaks  
Downsizing

### Commercial

Auction finance  
Securing land  
Capital raising  
VAT bridging

# Market Growth

**GROSS BRIDGING LENDING (£ BILLIONS)**










Source: WestOne Bridging Index, Issue 25.

**Market expansion has been driven by falling rates.**

**Falling rates have driven product innovation.**

# Best rates

Loan to Value	Market leading rates	Provider
Below 50%	0.55%	 Precise Mortgages  mashaven
70%	0.79%	 lendinvest  SHAWBROOK BANK  Precise Mortgages
75%	0.89%	 lendinvest  SHAWBROOK BANK

Source: "Battle Lines are drawn in rate wars", Chris Fairfax, Positive Lending, Mortgage Strategy, 15 Dec 2016

# Our approach to bridging



## **Bridging**

Loans from £75k to £7.5 million

LTV up to 75%

Terms up to 12 months



## **Auction**

Loans from £75k to £7.5 million

LTV up to 75%

Terms up to 12 months



## **Development Exit**

Loans from £250k to £5 million

LTV up to 70%

Terms up to 12 months

# Our approach to bridging



## Bridging

Loans from £75k to £7.5 million

LTV up to 75%

Terms up to 12 months



## Auction

Loans from £75k to £7.5 million

LTV up to 75%

Terms up to 12 months



## Development Exit

Loans from £250k to £5 million

LTV up to 70%

Terms up to 12 months

## Regulated Bridging



# Our approach to bridging



## Bridging

Loans from £75k to £7.5 million

LTV up to 75%

Terms up to 12 months



## Auction

Loans from £75k to £7.5 million

LTV up to 75%

Terms up to 12 months



## Development Exit

Loans from £250k to £5 million

LTV up to 70%

Terms up to 12 months

**Regulated  
Bridging**

**Refurbishment  
Finance**

**The best brokers bring  
bridging to their  
clients, not the other  
way around.**

**The best specialist  
distributors have  
access to the best  
rates and the leading  
lenders.**

# Further evolution to come

**The bridging sector still has further to grow.**

1. Loans will get cheaper still
2. Lenders will continue to innovate new niche products
1. The market will create more opportunities and challenges

**Demand for bridging shows no sign of slowing in 2017.**



**“One of the UK’s most  
successful bridging  
lenders, with a hardcore  
reputation for fast,  
flexible finance.”**

**MORTGAGE  
INTRODUCER**