

Real Estate Capital Europe

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Small-ticket lenders guide

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Small-ticket lenders guide

Welcome to *Real Estate Capital Europe's* guide to the small-ticket property lenders active in the market today.

The definition of small-ticket real estate lending is constantly changing. But this part of the market is widely acknowledged to consist of organisations providing loans ranging between around €1 million to €20 million (£873,000 to £17 million).

The information published in the following pages was provided by the companies featured. Lenders that focus on the small-ticket lending market were invited to submit information on their specialisms, loan size range and leverage. More detailed entries were sponsored by the companies concerned.

The guide contains information on 17 organisations, including challenger banks, specialist non-bank lending businesses and managers of online financing platforms. Their debt products typically include bridging, development and term investment loans for residential and commercial properties. Sterling is the currency used in the directory except for when the firm is not based in the UK.

The small-ticket lending market is entering a new era following many years of operating in a low interest rate environment. The response of small-ticket lenders will be tested as macroeconomic volatility continues in the UK and across continental Europe.

In these uncertain times, our small-ticket lending market guide serves as an essential tool for borrowers, advisers, and lenders active at the smaller end of the property market.

ASK Partners

Formed: 2016

Loan size

£5m-£100m

Maximum leverage (LTV/LTC)

75%

2021 lending volume

£402m

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

Contact

Elliot Blatt
Origination
eblatt@askpartners.co.uk

Website

www.askpartners.co.uk

Profile

ASK is a specialist, independent lender, founded in 2016 to provide bespoke and flexible property finance solutions. To date, we have lent in excess of £1 billion across 100 transactions focusing on transitional assets in a variety of sectors, throughout the UK. We use our breadth of experience in underwriting and executing complex real estate transactions to create innovative

and flexible deal structures that are not metric-driven or limited to specific products. We have a diverse and unique source of capital, which comprises more than 250 high-net-worth individuals, private family offices and small institutions. In 2022, ASK formalised its partnership with OakNorth Bank through the sale of a 50 percent stake in the company. This transaction further enhances our ability to underwrite lending across the capital stack (including senior, stretch senior and mezzanine finance) and to continue to support borrowers through economic cycles while maintaining a robust loan book.

We are flexible in our approach and are always happy to discuss new funding requirements.

Three key deals

£44.5m

A senior loan facility to fund the acquisition and refurbishment of Richmond's former House of Fraser store, which has planning consent for a new mixed-use retail and office development.

£31.0m

A senior loan facility to fund the acquisition of an operating shopping centre in Hounslow, west London, with significant redevelopment potential.

£56.3m

A senior development loan to fund the construction of a new mixed-use development in Clerkenwell, London, comprising a new-build 153-bed hotel, 20,000-sq-ft of Grade-A offices and nine affordable housing units.

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Avamore Capital

Formed: **2015**

Loan size

£0.5m-£10m

Maximum leverage (LTV/LTC)

75%

2021 lending volume

£150m

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other: Refurbishment and part-complete development finance

Belfast Commercial Funding

Formed **2016**

Loan size

£0.25m-£5m

Maximum leverage (LTV/LTC)

70%

2021 lending volume

£28m

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other: SME, Agri

Emerald Managements

Formed: **2014**

Loan size

£3m-£20m

Maximum leverage (LTV/LTC)

85%

2021 lending volume

£500m

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other: Acquisition finance, NPL Management

Beaufort Capital

Formed: **2013**

Loan size

£3m-£30m

Maximum leverage (LTV/LTC)

70%/85%

2021 lending volume

Undisclosed

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

Catalina Real Estate Finance

Formed: **2018**

Loan size

£5m-£30m

Maximum leverage (LTV/LTC)

Mezzanine **85%**

Bridging **70%**

2021 lending volume

£95m

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

Contact

Paul Hunt

Managing partner

paul@marshallbridge.com

Website

www.marshallbridge.com

Profile

Emerald Managements Luxembourg, a regulated Alternative Investment Fund Manager in Luxembourg, currently lends in several markets, including Germany, Spain and Luxembourg.

Glenhawk

Formed: **2018**

Loan size

£0.1m-£10m

Maximum leverage (LTV/LTC)

75% LTV

2021 lending volume

Undisclosed

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

Ingenious

Formed: **2014**

Loan size

£3m-£25m

Maximum leverage (LTV/LTC)

75%/90%

2021 lending volume

Undisclosed

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

Contact

Tom Brown
 Managing director
 tom.brown@theingeniousgroup.co.uk

Website

www.theingeniousgroup.co.uk/

Profile

Ingenious Real Estate Finance provides bespoke, pragmatic and flexible funding solutions to UK developers. We focus on stretch senior development finance and bridging finance across the majority of asset classes with a highly experienced and knowledgeable team.

Investec Real Estate

Formed: **1992**

Loan size

£5m-£30m

Maximum leverage (LTV/LTC)

65%

2021 lending volume

£1bn

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

Contact

William Scoular
 Head of private clients
 william.scoular@investec.co.uk

Website

www.investec.com/en_gb/business/popular-solutions/real-estate-finance.html

Profile

Investec partners with private, institutional and corporate clients, offering international banking, investments and wealth management services in two principal markets, South Africa and the UK, as well as certain other countries. The group was established in 1974 and has 8,300+ employees. Investec has a dual-listed company structure with primary listings on the London and Johannesburg stock exchanges.

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Number of firms in the guide

LendInvest

Formed: 2008

Loan size	Maximum leverage (LTV/LTC)	2021 lending volume
£0.05m-£30m	70%	£675m

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other: Buy-to-let

Contact

Omega Poole
 Head of funds management
 omega.poole@lendinvest.com

Website

www.lendinvest.com

Profile

LendInvest is the UK's leading technology-driven asset management platform for property finance, and is listed on the London Stock Exchange (LINV).

LendInvest offers short-term, development and buy-to-let mortgages. Its proprietary technology and user experience are designed to make it simpler for both borrowers and investors to access property finance.

LendInvest has lent over £4 billion of short-term, development and buy-to-let mortgages. Its funders and investors include global institutions such as JPMorgan, Lloyds Bank, HSBC, Citigroup and NAB, and, in 2019, it became the first fintech to securitise a portfolio of BTL mortgages.

The company has reported annual profitable growth since 2015 and was named Digital Innovation Award Winner at the Sunday Times Tech Track 100 Awards, Buy-to-Let Lender of the Year for 2020 at the NACFB awards, and one of FT1000's Fastest Growing Companies in Europe for 2021.



Three key deals

£11.8m

Provided an £11.8m senior debt facility to fund the development of 100 residential units in Corby, England. The facility term is 26 months, which allows for a 20-month build programme and six-month sales term. Joint venture between two privately owned, UK-based businesses. The borrower worked closely with Homes England on this project and identified the site and town as undersupplied for good affordable new build housing. The site was purchased from Homes England and planning successfully achieved in Mar 2019 for 150 units.

£13.3m

Provided a £13.3m senior secured bridge facility to refinance two sites to make up our security. Lent against a MV of c£21m. Obtained planning permission for demolition and construction of a nine-storey building to provide 300 co-living units with associated internal and external amenity space. Achieving co-living planning is a rarity and shows the trust placed with the developer and within the scheme. The site is in the Walthamstow borough, located in northeast London, in a regeneration area, where there has been significant investment from Waltham Forrest Council of c£200m.

£7.4m

Bridge loan with a total facility of £7.4m. The current land is valued at £11m by Savills implying an LTV at today's value of 66%. Planning for a 140 residential unit scheme, 35% of which will be affordable. The property is located in Acton, which falls within the London Borough of Ealing in west London. Acton lies to the north of Chiswick, west of Shepherd's Bush and east of Ealing.

Mizrahi Tefahot Bank

Formed: **1983**

Loan size

£1m-£25m

Maximum leverage (LTV/LTC)

65%

2021 lending volume

Undisclosed

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other: acquisition finance, stabilisation finance

Octopus Real Estate

Formed: 2005

Loan size

£0.1m-£100m

Maximum leverage (LTV/LTC)

75%

2021 lending volume

£667m

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

Contact

Ludo Mackenzie
Head of commercial property
ludo.mackenzie@octopus-realestate.com

Website

octopus-realestate.com/

Profile

Octopus is a specialist real estate fund manager covering both debt and equity. With over £3.7 billion AUM, the business has deep specialisms in commercial, residential and development lending together with investment in care homes, retirement living and affordable housing.

Pluto

Formed: **2011**

Loan size

Bridging **£0.75m-£30m**

Development & BTR

£5m-£100m

Maximum leverage (LTV/LTC)

70%/85%

2021 lending volume

£500m

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

M7 Capital

Formed: **2018**

Loan size

£5m-£100m

Maximum leverage (LTV/LTC)

75%

2021 lending volume

£200m

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

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Number of firms in the guide to offer bridging finance

Puma Property Finance

Formed: **2018**

Loan size

£10m-£50m

Maximum leverage (LTV/LTC)

LTV 75% | LTC 85%

2021 lending volume

Undisclosed

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

REIM Capital

Formed: **2019**

Loan size

£0.1m-£15m

Maximum leverage (LTV/LTC)

**75% residential
65% commercial**

2021 lending volume

£71m

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

Scopus Capital

Formed: **2012**

Loan size

€2m-€15m

Maximum leverage (LTV/LTC)

LTC 95%

2021 lending volume

Undisclosed

Specialisms

- Bridging finance
- Commercial development finance
- Commercial investment finance
- Residential development finance
- Residential investment finance
- Other

Contact

Andreas Gerrit Müller
Managing shareholder
agm@scopus-capital.com

Website

www.scopus-capital.com

Profile

Scopus Capital is a leading investment manager for alternative investments. Founded in 2012 by Dirk Roesing and Andreas G Müller, over 90 real estate projects with a total sales volume exceeding €2 billion have been financed with mezzanine capital through Scopus over the last 10 years.

Headquartered in Munich, Scopus offers mezzanine loans, joint venture partnerships and equity investments for real estate projects in Germany, Austria and the US (Florida only). Scopus also offers senior loans for real estate projects in Florida (with a focus on the metropolitan areas of Miami, Orlando and Tampa). Typical financing sizes lie between €2 million and €15 million per project. Despite having a focus on residential and healthcare/senior living real estate projects, financing requests from other asset classes are welcome.

Scopus is a reliable entrepreneurial partner for real estate entrepreneurs. We also offer customised financings for entrepreneurs in special situations (eg, M&A).