

# How to Prepare a Development Finance Pack



A comprehensive guide for BridgFunder London

## Introduction

Preparing a comprehensive development finance pack is crucial for securing the funding you need for your project. This guide outlines the key components and best practices to ensure your application stands out to lenders.

BridgFunder London is committed to helping developers access the capital they need. By following these guidelines, you'll be well-equipped to present a compelling case for your development project.

## Core Components of a Lender-Ready Development Finance Pack

A well-structured development finance pack should include the following essential components:

### Planning Documentation



Include all relevant planning permissions, certificates, and approvals. Ensure these documents are up-to-date and accurately reflect the proposed development. Any conditions attached to the planning permission should be clearly highlighted and addressed.

### Architectural & Technical Drawings



Provide detailed architectural drawings, structural plans, and technical specifications. These drawings should clearly illustrate the scope of the development, including site layouts, floor plans, and elevations. Ensure compliance with building regulations and standards.

### Detailed Cost Plan



Present a comprehensive cost plan, breaking down all project expenses, including construction costs, professional fees, and contingency. Ensure the cost plan is realistic and supported by quotes from reputable contractors and suppliers. Provide a clear explanation of any assumptions or uncertainties.

## Build Programme



Include a detailed build programme outlining the key milestones and timelines for the project. This programme should demonstrate a clear understanding of the construction process and potential delays. Consider using a Gantt chart to visually represent the project timeline.

## Appraisal & GDV Evidence



Provide a professional valuation report and evidence supporting the Gross Development Value (GDV) of the completed project. This evidence should include comparable sales data, market analysis, and independent expert opinions. Justify the GDV assumptions with credible data.

## Experience & Team Profile



Highlight the experience and expertise of the development team, including key personnel and consultants. Provide detailed CVs and case studies demonstrating previous successful projects. Emphasize the team's capabilities and track record.

## Exit Strategy



Clearly outline the proposed exit strategy for repaying the development finance. This strategy should be realistic and supported by market data. Common exit strategies include sales of completed units, refinancing, or long-term rental income.

# How Lenders Review & Assess Project Risk

Lenders meticulously evaluate project risk to ensure the viability and security of their investment. Understanding their assessment process is crucial for preparing a compelling finance pack. Here's a simplified infographic representation:

- **Market Analysis:** Evaluating local market conditions, demand, and comparable sales data.
- **Financial Viability:** Assessing the project's cost plan, GDV, and profitability.
- **Team Experience:** Reviewing the developer's track record and expertise.
- **Security & Collateral:** Analyzing the value and liquidity of the underlying assets.
- **Exit Strategy:** Validating the feasibility of the proposed repayment plan.

# Final Submission Checklist & Best Practices

Use this checklist to ensure your development finance pack is complete, accurate, and professionally presented.

- **✓ All Documents Included:** Verify that all required documents are present and up-to-date.
- **✓ Accuracy & Consistency:** Ensure all information is accurate and consistent across all documents.
- **✓ Professional Presentation:** Present the pack in a clear, organized, and visually appealing manner.
- **✓ Realistic Assumptions:** Use realistic and well-supported assumptions for cost estimates and GDV projections.

-  **Contingency Planning:** Address potential risks and uncertainties with robust contingency plans.

A well-prepared development finance pack not only improves the speed of approval but often leads to stronger terms and smoother project execution. Treat your pack as a professional representation of your capability as a developer. When lenders see a polished, coherent submission, they see a developer who can deliver — and they price the risk accordingly.

*BridgFunder London is an Appointed Representative of White Rose Finance Group Ltd (FCA FRN 630772). Some commercial, bridging and development finance products are not regulated by the FCA.*