

Development Finance

Assisting those who are under-served by the major banks has been at the core of La Trobe Financial's service proposition since 1952.

Partner with an Experienced Specialist Lender

La Trobe Financial has a strong track record as a financier of small to medium size developments. We see the growth of small-to-medium size, low-rise residential developments being a significant long-term trend. These assets are lower profile than some development projects – literally, in size and profile – nonetheless, we view them as a high-quality component of the Australian property landscape for the foreseeable future. We believe they offer developers valuable economic outcomes.

With sales and credit teams boasting vast experience and in-depth knowledge of development finance, be it your client's first or their next development project, partner with La Trobe Financial and allow our expertise help navigate loan application submission, approval, settlement and construction.

Once a development is completed, be it funded by La Trobe Financial or another lender, La Trobe Financial also considers financing completed stock, with a product designed specifically for this purpose. Our Residual Stock loan can be helpful in order to allow property developers further time to sell remaining stock and also to free equity which can be invested into other development projects.

The La Trobe Financial Difference

What distinguishes La Trobe Financial from other lenders is:

- Our experience in this niche market
- All of our BDMs having detailed knowledge of development finance
- Flexible pre-sales requirements
- No additional accreditation requirements
- Interest capitalised during development stage
- 'Take-out' finance available (see Residual Stock loan term sheet for more information)

General Features

General Description	Our Development Finance loan suits applicants looking to complete construction of small-medium size, low-rise residential development projects.
Loan Purpose	Construction of small-medium size, low-rise residential developments.
Acceptable Security	Multi-unit/townhouse residential dwellings.
Acceptable Risk Grade	A & B
Acceptable Locations	Metropolitan. Major regional locations considered.
Minimum Loan Amount	\$100,000
Maximum Loan Amount^	\$50,000,000
Maximum LVR^	70% up to \$5,000,000 65% up to \$50,000,000 Loan Amount not to exceed 80% of the total development cost.
LMI Required	No
Maximum Loan Term	5 years
Repayment Type	Interest only. Interest will be capitalised during the construction period within maximum LVRs.
Maximum Interest Only Term	5 years
Commission Structure	0.50% upfront; 0.25% trail.
Commission Clawback	Nil
Additional Repayments Permitted	N/A
Redraw Available	N/A

Document Checklist

All Applications

- ☐ La Trobe Financial Application Form
- ☐ Verification of Identity (VOI)
- ☐ Broker Declaration

Purpose Specific

- ☐ Contract of sale (if purchase)
- ☐ Existing account statements (if refinance)
- ☐ Evidence of funds to complete (if applicable)
- ☐ Builder's and developer's CVs
- ☐ Development feasibility analysis

- ☐ Copy of fixed price building contract
- ☐ Copy of plans & specification
- ☐ Copy of building & planning permits (if available)
- ☐ Copy of GST declaration & letter from accountant outlining GST margin scheme cost base