

Bridging Loans

OVERVIEW

A short-term loan secured against property or land, used to purchase or raise capital where a conventional mortgage may be unavailable. Timescales depend on the lender and the deal. Interest rolls up during the term and is repaid alongside the capital via a defined exit — typically a remortgage or property sale. Flexibility is a defining feature.

HOW IT WORKS

01

Security and exit agreed

The lender focuses on the property offered as security and the borrower's exit strategy — how the loan will be repaid.

02

Valuation arranged

An independent RICS valuation is commissioned by the lender to confirm the property's current market value.

03

Funds released

Once legal and valuation work is complete, funds are released.

04

Interest rolls up

No monthly interest payments are required. Interest accrues and is repaid alongside the capital at the end of the term.

05

Exit repays the loan

The borrower repays in full via the agreed exit: a remortgage with a conventional lender, or the sale of the secured property.

IS IT RIGHT FOR YOUR BUSINESS?

- Businesses purchasing property. Timescales depend on the lender and the deal.
- Business purpose: businesses bridging a gap between two transactions, or raising funds against property for a short-term requirement.
- Businesses raising capital against property for a short-term purpose
- Borrowers with a clear, credible exit strategy

INDICATIVE TERMS

Interest rate	8–18% per annum (risk and security dependent)
Arrangement fee	1–3% of loan amount
Term	1–18 months most common; longer available
LTV	Up to 80% depending on property type
Exit fees	Many lenders charge none — worth confirming

Ready to explore Bridging Loans?

Share the property, the amount needed, and your exit, and we'll identify the right bridging lender for the situation. No obligation.

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