

FINANCE

LEXI structures finance deal for Essex and Devon resi developments

By [David Parsley](#) Mon 22 November 2021

LEXI Finance has structured three debt and equity deals, with a combined gross development value of £30m to support the construction of 43 homes across three separate developments in Essex and Devon.

The senior lenders involved were United Trust Bank and Paragon, both lending up to 65% loan to GDV. The remainder of the capital stack was provided via an equity injection from high-net-worth joint venture partners participating in a share of the profits.

The transactions include a £9.5m development of 27 houses in Devon, which will see Blakesley Estates deliver a mixture of private and affordable new homes overlooking a valley in Kingskerswell.

Areas such as Essex and Devon are still benefiting from a notable uplift in values as the “race for space” continues. Prices in Kingskerswell, a semi-rural area in Devon increased by 23% over the past year, demonstrating the strength of commutable rural locations and underpinning the support for these corners of the market.

A second transaction, a debt and equity deal for a housebuilder in Exeter, followed a similar trend being a semi-rural scheme obtaining joint venture support. This project saw an equity partner provide support up to 98% of costs for a share of the profits.

These latest transactions keep LEXI on track to surpass £250m of structured finance this year.





Charlie Armstrong, co-founder at LEXI Finance, said: “Equity investors will always be interested in highly liquid schemes being delivered in established areas by experienced borrowers. LEXI Finance has an established track record of enabling our housebuilder clients to scale through access to bespoke structures.”

John Freeland, Director at Blakesley Estates, added: “Thanks to LEXI’s support we have been able to secure another site in Devon to build homes for local people. The project will see premium quality homes delivered in an area that has suffered from lack of development in recent years and provides high quality affordable living. We will continue to strive to support local needs for high quality housing across the southwest, and we can only do so with the support of sophisticated funding partners.”

Read the article [here](#).

