

Real Estate Finance

News Update

Annual results sees Real Estate Finance balance sheet break £1bn for first time



Secure Trust Bank PLC has published its annual results, returning a Group profit before tax of £20.1 million for the year ended 31 December 2020.

Real Estate Finance (REF) saw revenues increase by 10.4% to £54m, with the team's balance sheet growing by 9.3%, exceeding £1 billion for the first time.

Geoff Ray, Secure Trust Bank Real Estate Finance managing director, said:

"The business showed good momentum in Q1 2020 which then slowed following the impact of COVID-19 restrictions. However, alongside supporting our customers through the crisis, we continued to advance funding to existing development finance customers once their projects were allowed to restart after the first lockdown."

One such customer is Hatherley Investments. Last year, REF agreed a £3m funding package with the developer for the construction of three 3-bedroom townhouses and seven 2-bedroom apartments in Sidcup, south-east London.

Michael McCarthy from Hatherley Investments said:

"The Covid-19 pandemic created additional challenges for residential developers but throughout the crisis we received excellent support from Secure Trust Bank, which enabled us to keep the development on track."

Looking ahead, Geoff Ray added:

"The immediate focus of the business will remain on effective risk management and ensuring that we continue to support our customers."



BUDGET 2021

A new mortgage guarantee scheme and the extension of the Stamp Duty holiday were among the initiatives announced by Chancellor Rishi Sunak, with the aim of boosting the housing market.

For an overview of the Budget read relationship director Chris Daly's blog.

[Read blog](#)

Meet the team

Relationship director David Burke has been in the banking sector for more than 20 years. He works at our Thames Valley office but has been using his campervan as a mobile office as he visits client sites during lockdown.



What do you enjoy most about real estate finance?

The deal – supporting the customer in buying a property and making it better.

They say you're only as good as your last deal, what was yours?

Funding the development of six new modern family homes on the site of a closed down restaurant.

What's the biggest challenge you have faced during lockdown?

Physical isolation and not being out on site with customers as much as usual.

If you could do any other job what would it be?

Classic car mechanic.

Finance for funds, investors and developers

STB REF supports a wide range of commercial property investment and development schemes, with loans from £1m - £40m. Our portfolio includes mixed use schemes, student accommodation, build to rent, new homes and commercial properties, including offices and industrial units.

Fast-growing student accommodation provider Study Inn Group was the latest to benefit from our support. Having sold a portfolio of ten sites, the Group is building a second, with three assets secured and a further three under development. We agreed a £22m loan to help with its ambitious expansion plans.

Social and affordable housing provider Funding Affordable Homes (FAH) secured £16.5m from STB REF for 214 homes, including Extra Care provision, across three new developments.

Matthew-Blaine Young, Relationship Director for STB REF, said:

"Affordable and social housing is a sector in which we are seeing increased activity as a result of the current high demand for homes."

"STB provided three separate development to investment facilities, over five years, to FAH. The facility enables clients to get developments underway and retain them for income generation and capital appreciation."

Supporting Britain's SME housebuilders

Secure Trust Bank's Real Estate Finance team is helping the Government deliver on its new homes agenda by supporting UK housebuilders to get housing schemes off the drawing board and on to site.

We have a £100m fund specifically for housebuilders seeking loans from £1m-£5m.

Among those to benefit is luxury housebuilder Zafiro Homes. It's delivering four new homes in Beaconsfield, Buckinghamshire, thanks to a £4.4m advance from STB REF.

RAP Developments has also secured £4.2m funding from STB REF for three sites in Berkshire and Buckinghamshire. Nine new family homes are being developed under RAP's Clayfield Estates brand.



In the London Borough of Sutton, Bruckland Developments is building two pairs of semi-detached homes with the help of a £2.2m loan.



We're lending to SME developers around the country and keen to help more. Our experienced team provides a speedy response to enquiries, either direct to the borrower or via an introducer.

Richard Nowell,
Senior Relationship
Director at STB REF



For more details on our support for SME housebuilders, download a copy of our [brochure here](#).



STB REF's South and Midlands team will be returning to a new office when restrictions lift. The new Thames Valley HQ is at Abbey Gardens, Reading, double the size of their previous home.



Colleague Kate Emily will be walking not one but two marathons over two days this summer, in aid of Alzheimer's Society and British Heart Foundation. Good luck Kate!



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