

Latis Homes Limited - Conduit Lane, Hoddesdon

Securing additional finance to complete a project to build new homes can sometimes be difficult if you are a growing SME developer. Latis Homes found themselves in this position in 2015 at Conduit Lane in Hoddesdon. To solve this problem they secured the assistance of the Homes and Communities Agency (HCA) who provided a loan to move their stalled project forward. The timely injection of an HCA loan was used to refinance an existing lender; take-over the funding to renovate a listed building to deliver 3 new homes and provide the additional finance required to build 40 new sustainable homes.

On completion the end result will be:

- 43 new homes (including 9 affordable homes);
- New homes delivered 6 months earlier because of HCA funding;
- The renovation of a Grade 2 listed building;
- Helping a small developer grow their business;
- The delivery of the 5,000 square feet of retail space; and,
- Wider benefits for the local economy arising from this construction activity.

The Home Building Fund is designed to make this happen for other small developers by supporting them to access the development finance they need to get building and grow their businesses. The £3bn fund provides government finance to increase the number of new homes being built in England. It combines existing recoverable investment funds, including the Builders Finance Fund, into one fund that provides borrowers with a simple application process to make it easier to borrow from the HCA.

Alex Darkin, Strategic Development Manager at Latis Homes Ltd, describes below how working with the HCA has had a positive impact upon their business.

How has working with HCA made a difference to Latis Homes Ltd?

From the beginning of our relationship, the HCA understood and supported Latis' ambitions to revolutionise home building. Their agenda is clear and there are strong synergies with our own vision: deliver more, better quality homes throughout Britain, encouraging competition and innovation in design and delivery. Securing well priced development finance has created a strong platform for us to realise much larger projects.

What was it like working with HCA?

The HCA are a breath of fresh air in the world of commercial lending which can be a minefield of delay, barriers and unnecessary cost. We have built up a level of trust that far surpasses our relationships with conventional lenders and consequently we have been able to make bold and confident decisions to accelerate development on our sites.

Would Latis Homes recommend working with HCA to other SMEs wanting to build homes?

Yes! The HCA are well equipped to provide accessible competitive finance and comprehensive support for SMEs. Through the Home Building Fund the HCA have become a valued partner and a central component of Latis' continued growth. We look forward to working with them very closely in the future.

The project

Latis Homes Ltd, established in 2011, is a new home builder focused on creating communities that are designed and built to promote sustainable living.

Conduit Lane is located in the historic market town of Hoddesdon. The site is owned by a subsidiary of Latis Homes Ltd - Stanborough Court Developments Ltd - which will undertake the development. It is close to local facilities and less than 1 mile walk from Broxbourne station (30 minutes to Liverpool Street in London). The HCA development loan of £4.35m has funded the provision of 43 (9 affordable and 34 open market) homes and kick-started the delivery of much needed high quality housing in the area.

HCA has continued to support Latis Homes Ltd, having subsequently contracted another much larger project – Kitchener Barracks in Chatham, Kent, which will become a sustainable community of over 300 new homes.



Interested in applying for the Home Building Fund ... so what do I do next?

The aim of the recoverable investment fund isn't to make life more complicated but to facilitate development. The team at the HCA are there to help progress your application for a loan. All you need to do next is answer 5 simple online questions. Within 72 hours the HCA will then be in touch with you to start a conversation about building more homes. For more information on how to do this please either:

- telephone 0300 1234 500;
- email HomeBuildingFund@hca.gsi.gov.uk; or,
- visit www.gov.uk/homebuildingfund to complete a short form to request a call back or register your interest.

The HCA has been providing loan finance to the private sector since 2008. During this time, the HCA has made available loans and investments totalling over £4.4 billion to support the private sector to build new homes and bring forward land for development. Finance from the Home Building Fund is available to draw down up to 31 March 2021.

The new fund is one of the ways HCA is delivering the Government's housing ambitions alongside the Shared Ownership and Affordable Homes programme, Starter Homes and the Single Land Programme. More details about these other initiatives can be found on Gov.UK