



# Lifecycle lending

A holistic approach to seamless property financing



**Sophie Meller**  
Business Development Manager  
TAB

**A**s property investors navigate the aftermath of a higher inflation economy and adapt to increased interest rates, embracing a perspective that encompasses the entire property lifecycle has become more crucial for real estate financing solutions.

Taking a holistic approach to lending offers significant benefits for brokers and their clients. Instead of meeting clients' immediate lending needs in isolation, a lifecycle approach proactively considers and plans for the client's evolving financing requirements over the entire life cycle of owning, investing and disposing of that property.

In today's market, there is a growing demand for such holistic lending solutions. It is no secret that current refinancing solutions are taking longer due to various factors including lenders' hesitancy amidst persistently high base rates and legal processes that have become more drawn out. This leaves property investors uncertain about their exit strategies, and without these, lenders are less likely to lend. This uncertainty can be a source of stress and anxiety, potentially hampering the investor's ability to capitalise on future opportunities.

Today's investors seek comprehensive solutions where they can seamlessly transition from initial acquisition to long-term financing and any requirements in between.

A product that addresses all stages of a property investment's lifecycle will eliminate the need for clients to worry about refinancing upon the redemption of their short-term loans. It provides them with a clear roadmap and a sense of security throughout the investment journey. With this approach, brokers can proactively address these concerns for their clients and alleviate the uncertainties surrounding exit strategies.

Whether it's purchasing and refurbishing investment properties, developing new residential or commercial projects, or refinancing existing assets to unlock equity, a holistic approach streamlines the process. It seamlessly facilitates transitions from short-term bridging finance to long-term mortgages, ensuring a smooth progression throughout the investment cycle. Additionally, lifecycle products provide the agility required for auction purchases, enabling investors to secure properties swiftly through bridging finance before transitioning to a term mortgage. In the commercial realm, this offers a practical solution for investors who require time to establish a year's worth of accounts before converting to a commercial mortgage.

By addressing the exit strategy proactively, brokers can alleviate these uncertainties for their clients, positioning themselves as trusted advisers capable of delivering tailored solutions that align with their long-term goals.

In today's competitive landscape, brokers who embrace a holistic approach to lending will undoubtedly stand out. By offering comprehensive solutions that address the entire property lifecycle, they can provide their clients with a seamless experience, mitigating risks, and maximising returns on their investments. This approach transcends the transactional nature of traditional lending and elevates the broker's role to that of a strategic partner, guiding clients through the complexities of property financing with a forward-thinking perspective. ●