

RM Secured Direct Lending PLC loans £4.9m to Strawberry Star for Wandsworth development

RM Secured Direct Lending PLC (RMDL), which specialises in tailored debt solutions for businesses, has provided £4.9m of debt to Strawberry Star – the international property company established in 2007 by property mogul, Santhosh Gowda, for the purchase and development of a mixed-use site in Wandsworth. OakNorth has lent £21m and JLL Residential Capital Markets acted as funding advisor to Strawberry Star.

This marks RMDL's second transaction with OakNorth, following its joint loan to finance the development of L'Oscar Hotel, London.

The funds from this transaction will be used by Strawberry Star to develop 77 residential units (c.56,000 sq. ft.), 24,000 sq. ft of flexible work space, and 2,000 sq. ft. café / restaurant accommodation at Buckhold Road in Wandsworth.

The Sales will be jointly managed by Strawberry Star Lettings and Sales and JLL. Over 90% of the residential units, will potentially qualify for 'Help to Buy'. The property has full planning consent, with construction due to commence in September and last 24 months, with completion expected in Q3 2019. The site is located just a 10-minute walk from Wandsworth Town train station, providing quick access into Waterloo and Victoria via Clapham Junction.

Pietro Nicholls, Principal at RM Secured Direct Lending, added: "We are delighted to support Strawberry Star on this exciting new development and to be supporting OakNorth for the second time. We share OakNorth's ambition to back quality management teams such as Santosh and Nick, and enabling them to further their growth with tailored debt solutions."

Commenting on the deal, Santosh Gowda, Founder & Chairman of Strawberry Star, said: "Wandsworth is one of London's most popular areas and is in desperate need of new homes – the borough requires 18,000 new homes a year until 2025 to keep up with demand, so we're delighted to have OakNorth and RM Secured Debt Lending's support, and look forward to development getting underway."

In a joint statement, Ben Barbanel, Head of Debt Finance, and Damien Hughes, Property Finance Director at OakNorth, commented: "Since our launch in September 2015, we have been focused on one thing; solving the problem of scaling non-standard lending in the UK, backing quality management teams in the process. Santosh and Nick are a perfect example of this – together, they have over 65 years' experience leading successful mixed-use and purely residential projects, both here in the UK and abroad. Their track record speaks for itself and we're delighted to have been selected as their debt finance provider for this flagship development."

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About RM Secured Direct Lending

RM Secured Direct Lending Plc is a closed-ended investment trust established to invest in a portfolio of secured debt instruments. The Company aims to generate attractive and regular dividends through loans sourced or originated by RM Capital, the Investment Manager, with a degree of inflation protection through index-linked returns where appropriate. Loans in which the Company invests are predominantly secured against assets such as real estate or plant and machinery and/or income streams such as account receivables.