

**Case Study: \$74M
Construction Finance for
126-Dwelling Development
on the Redcliffe Peninsula**



Overview

The client required a \$74 million construction finance facility for a 126-dwelling development on the Redcliffe Peninsula. The project demanded a flexible funding structure to address cost escalations mid-project while minimizing the equity contribution.

Challenges

1

- High Gearing Requirement: The client needed to minimize the upfront equity contribution, so we designed a solution with a high gearing ratio.

2

- Cost Escalations: Rising costs midway through the project presented a funding gap, requiring a rapid response to ensure completion.

Solution

Our team developed a tailored non-bank financing solution to overcome these challenges.

- High-Gearing Facility: We secured a lender willing to fund 87% of the project costs, significantly reducing the client's equity contribution.
- Mid-Project Adjustment: When cost escalations arose, we negotiated with the lender to introduce a "stretched" senior facility. This additional funding ensured the project stayed on track without additional financial strain on the client.
- Collaborative Approach: By maintaining open communication with the lender and the client, we were able to adapt the funding structure in real time.



Results

High Gearing

The client secured a \$74 million facility with a market-leading 87% cost funding ratio.



1

2

Flexible Funding

The “stretched” senior facility provided the additional capital needed to manage cost escalations, ensuring the project’s completion on schedule.

Key Takeaway

This case study showcases Marketplace Finance's expertise in delivering highly flexible funding solutions for complex projects. Our non-bank financing expertise and proactive problem-solving approach enable us to support clients throughout their development journey, ensuring seamless and successful project outcomes.

If you have a large-scale project in mind, we're here to help you fund it. Let's connect to discuss how we can tailor a solution that meets your specific needs and ambitions.