

# Construction Finance Fact Sheet



**Nucleus**  
Construction  
Finance

If your business is in construction, you will know how the unpredictable nature of the industry can put pressure on your cash flow. The way payment works can mean that although a large long term contract has been agreed, you can't get the money as regularly as you need it.

## WHAT IS CONSTRUCTION FINANCE?

Construction finance provides businesses with a pre-agreed advance of funding, against their uncertified applications, stage payments or milestones.

## HOW CAN IT HELP?

Getting finance in the construction industry can be more challenging than other sectors because of the uncertain nature of construction and because of the way that payments are agreed. That's where we can help.

### Do you experience any of these challenges?

- Finding money to pay wages and suppliers before the main contractor settles your payment application
- Persuading the bank to extend your overdraft facility or sourcing competitive invoice finance solutions
- Keeping costs down as the price of raw materials increases
- Negotiating payment with customers who think it's fine to settle invoices on their terms, not yours

These factors and many others are common reasons for needing a short-term injection of capital.

## WHY NUCLEUS?

Nucleus construction finance is a dedicated cash flow funding product designed specifically for SMEs and sub-contractors working in the cash intensive construction industry.

We can fund businesses of any size but this product is particularly suited to those needing £250,000 to £25m funding.

Using a fixed rather than a variable fee model, we have removed the uncertainty associated with the costs of 'traditional' lending products.

### With our bespoke construction finance product we can afford our customers the following benefits:

- A cheaper fixed fee facility compared to other providers
- Pre payments against applications
- A confidential facility to prevent the need for disclosure to debtors
- Expertise and understanding of your industry with our in-house Quantity Surveyors

## WITH CONSTRUCTION FINANCE YOU CAN:

- **Boost turnover** and increase profitability with additional working capital
- **Meet payroll** and all supplier payments on time
- **Take the pressure off**, get peace of mind about your finances
- **Avoid raising equity capital** and diluting existing shareholder ownership
- **Keep things moving along** when payments are late
- **Margins squeezed** by competitive pricing

## NOT JUST BRICKS AND MORTAR

It's not just your typical construction company that we can help.

### We work with companies involved at all stages of the supply chain, including:

- Construction
- Building Materials
- Architecture & Planning
- Civil Engineering
- Machinery
- Mining & Metals
- Real Estate
- Architectural Metalwork
- Shipbuilding
- Railroad Manufacture
- Commercial Real Estate
- Mechanical and Electrical Engineering
- Glass, Ceramics & Concrete
- Industrial Automation
- Professional services

**And many more...**

## WHAT TYPE OF PAYMENTS CAN WE FUND?

**We typically fund applications at 40–70%, taking in to account those areas that can put pressure on cashflow such as:**

- Contract variations
- Repeated under certification
- ROT issues for materials on/off site.
- Letters Of Intent in the absence of a fully executed contract.
- Cross-contract set-off
- Self-billing arrangements

When we provide you with construction finance, it's testament to our belief in your business. On top of that we take pride in our transparency and are hands off when it comes to loan management. We know you have a business to run and we'll provide you with the finance you need to grow it profitably.

Whatever finance you need for your business, whether overdraft, cash flow finance, asset funding, secured business loans or invoice finance, our expert analysts will discuss your options with you, make everything as clear as possible, and work out a package to suit your needs.

Talk to our expert funding team for invoice, overdraft, property, construction and asset finance solutions:

**0207 839 9451** or [contact@nucleus-cf.co.uk](mailto:contact@nucleus-cf.co.uk)