

TAB has completed a first charge £1.25m commercial loan on a property in Sheffield within four working days of enquiry.

Case studies

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The client borrowed £1.25m to complete the purchase of a vacant former Debenhams department store, under a 43 year lease where the freeholder is Sheffield City Council. The 214,000 sq ft property is spread over 5 floors, 3 mezzanine floors and a roof terrace and sits in an extremely prominent location in Sheffield City Centre, which is currently undergoing extensive regeneration.

The site was previously leased to Debenhams, valued with vacant possession at £2.7m and purchased by the client for a discount at £1.5m. The first charge loan totalled £1.25m which was 85% of the purchase price and 49% LTV. The client plans to exit the loan either via sale with planning or after the property is refurbished and tenanted. The completion date was just four days after the enquiry. This meant all parties involved needed to communicate quickly, accurately and efficiently to get this deal over the line.

To assist with the tight deadline, TAB sought expertise from qualified chartered surveyor and asset management advisor Simeon Andersen of Clifton Securities. Simeon provided an asset management report on the loan stating in his report: "This is a prominent city centre asset that has enough gravitas to attract significant interest from potential developers to whom the borrower could achieve an onward sale. The council will welcome the regeneration of the site and the positive PR it will generate for the city centre. The borrower is charismatic and experienced with the understanding and experience to re-gear the head lease whilst simultaneously gaining planning consent."

The client used expert broker Nir Yedid of REFC to help facilitate this loan. "REFC had a fantastic experience with the TAB team. Extremely supportive, efficient, professional and helpful through the whole process from day one to completion, delivering in a weeks' time window with ease and personal touch. The speed and quality of engagement that TAB provided us truly demonstrated the extra mile. I would like to personally thank Duncan and the team for their excellent service from start to finish, always professional in their approach, seeking to do their absolute best. I look forward to our continued working relationship with TAB." Nir Yedid - Founder and CEO REFC Ltd

Nick Russell, Sales Director of TAB said: "This was another example of a complicated transaction due to the nature of the asset and the limited time we had to complete the deal. However, this is an experienced borrower with an extensive track record and someone we felt could benefit from TAB's short term finance. Everyone involved worked tirelessly to get this over the line and we were able to meet the challenge and successfully complete in the required time frame".

Daniel Fireman who was acting on TAB's behalf from a legal perspective said: "It was a very interesting deal involving a complex city centre site which suffered a catastrophic downturn in value consequent on Debenham's demise and is open to a number of exciting options for future use. I was delighted to be able to lead the legal side of the deal for TAB from instruction through to transmission of completion funds within four working days and collaborating closely with all stakeholders to ensure a seamless process in which all parties pulled their own weight and more. Well done TAB!" Daniel Fireman, Equity Partner - Howard Kennedy LLP.

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