

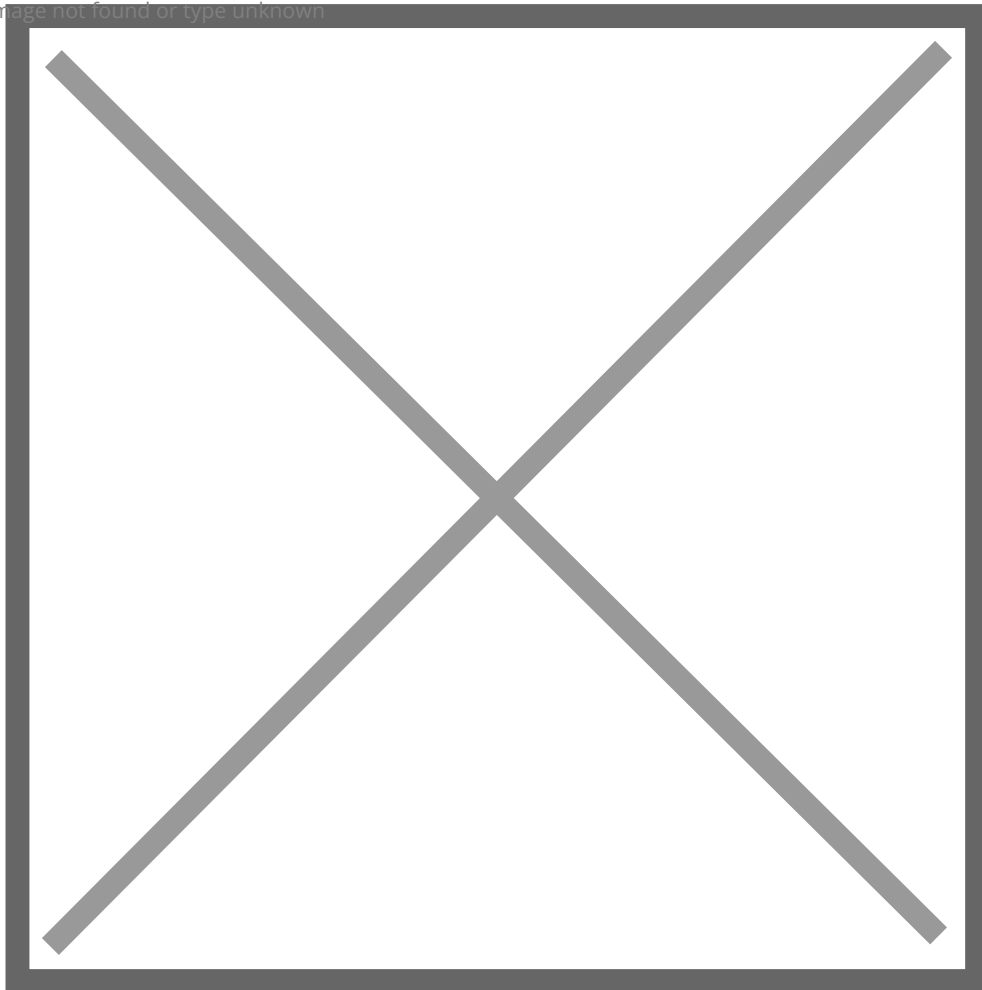


101942 - £3.4m commercial loan against mixed commercial property - Newcastle

Case studies

07.12.22

Image not found or type unknown



102942 - £3.4m commercial loan against mixed commercial property - Newcastle

Loan amount: £3,465,000

LTV: 66.83%

Term: 24 months

Security: 1st charge

TAB completed a £3,465,000 [1st charge commercial loan](#) against a commercial property located in Newcastle City Centre. The property is arranged over six floors and comprises a purpose built department store constructed behind a period, listed facade.

The borrower, a limited company, has a good background in business and real estate and held a shareholding in one of the tenancies in the property. The client intends to apply for planning permission for residential conversion of the upper floors, and refinance with the uplift of planning.

The long term leases currently in place present a value that brought TAB the additional comfort to increase the borrowers facility size and lend against the investment value as opposed to a vacant possession value.

This was an interesting transaction with several elements to understand. As the client had exchanged contracts, we had a limited time to understand the full picture. Between the broker and the client, both were on top of the case and quick to provide all the necessary information. This allowed us to complete in time for the contractual purchase date.

Danny Scoltock, Head of Underwriting

Capital is at risk. Property values can go down as well as up. Borrowers may default and investments may not perform as expected. Interest and income are not guaranteed. Returns may vary. You should not invest more than you can afford to lose. TAB is not authorised by the Financial Conduct Authority. Investments are not regulated and you will have no access to the Financial Services Compensation Scheme (FSCS) or the Financial Ombudsman Service (FOS). Past performance and forecasts are not reliable indicators of future results and should not be relied on. Forecasts are based on TAB's own internal calculations and opinions and may change. Investments are illiquid. Once invested, you are committed for the full term. Tax treatment depends on individual circumstances and may change.

You are advised to obtain appropriate tax or investment advice where necessary. Understand more about the key risks [here](#).

TAB is a trading name of TAB London Limited. Registered in England and Wales with registration number: 11225821 and whose registered office is at 101 New Cavendish Street, London W1W 6XH.