


# TTT... Beware of what you can't see

**TAB's Thursday Tips**

**24.03.22**

**TTT: Property development**

 **TAB.**


Beware of what you can't see...

"I once came across an old, reinforced concrete second world war bunker that was only discovered five metres underground. It was missed in the ground survey."

**Eli Korman**  
Head of Development Finance and CIO, TAB

**TAB's Thursday Tips**

**tabhq.com**



"I once came across an old, reinforced concrete second world war bunker that was only discovered five metres underground. It was missed in the ground survey." - Eli Korman, Head of Development Finance and Chief Investment Officer.

When judging costs we often only account for the obvious. Its clear construction costs and development costs need to be accounted for. However, do we take time to consider unexpected costs and the costs that aren't clear to the eye? If hidden costs, including what might be below ground are not included in the first appraisal then this can cause real issues for developers.

Always be considerate towards the fact that there might be hidden issues. If you're planning to dig a basement, there are elements underground that you may not have originally accounted for. Joint Contracts Tribunal (JCT) contracts are usually made between an 'employer' and a 'contractor' to facilitate the process of delivering a building project. They set out all of the relevant terms and conditions, including the obligations of the parties, the costs involved and the specification of the project, these unknown additional costs are unlikely to be covered in your JCT. Ensure that you factor in all potential costs and you've assessed vigorously to not be surprised by what's lurking under your site...

If you would like to discover more about borrowing and [property development finance](#), please get in touch with TAB today. Contact our sales team at [enquiries@tabhq.com](mailto:enquiries@tabhq.com) or call 0208 057 9070.

This article is for information only and does not constitute advice or a personal recommendation. When it comes to financing, any property used as security is at risk of repossession if you do not keep up with your payments. If you are unsure of the risks, you are advised to obtain appropriate professional advice. TAB is an unregulated lender so will not lend on your principal property.

**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.