

TAB has completed a £481,000 first charge bridging loan on an HMO property purchase in Coventry within five working days.

Case studies

18.11.20

The borrower, SCP Capital, required a facility of £481,000 for the purchase of a fourteen bed HMO with the intention to convert the property into a men's mental health care unit. In an already time challenging Covid market, the borrower managed to secure a below market value transaction, with a saving of £60k, providing they could complete within five working days.

The borrower chose expert mortgage broker Jordan Willis of JW Private Finance to attend to the enquiry. Willis raised with SCP Capital the challenges that were involved with this transaction:

1. The security type of a fourteen bed HMO being converted into a men's mental health care unit would only appeal to specific lenders appetites.
2. The completion speed. A quick turnaround from enquiry to completion was required.

Extensive professional research and market experience brought JW Private Finance and TAB together to complete on this loan.

In order to provide Nick Russell, sales director at TAB with confidence, Willis ensured the proposed package was reliable and dependable. It was outlined that the borrower had a clear plan to purchase, obtain a change of use and refurbish and convert the property. Willis also showed there was a lease in place with an operator to take over the unit on completion of works and that the client would exit the loan by selling the property to an institution.

TAB efficiently reviewed the information and the terms were agreed for a 9-month loan at a LTV of 65% of the purchase price.

The complexities of the case meant that the TAB team, JW Private Finance, and SCP Capital, had to move quickly to facilitate the loan and complete before the borrower lost the property altogether. TAB used Field Fisher as their legal team and SCP Capital used Parrott & Coales LLP.

“SCP contacted me on Friday and by close of play Monday, credit checks and terms had been returned to TAB. The valuations were booked in three working days, then carried out and reported back to the lender for assessment on Thursday afternoon. In the meantime, the TAB underwriting team were undertaking their due diligence and the loan moved to legals and then completed the following Friday.” Jordan Willis – Owner, JW Private Finance

“TAB immediately understood our needs and were flexible with the type of lending we needed. I would also recommend them for anyone that needs a speedy completion.” Max Rayner – Director, SCP Capital

“After over 10 years in the game, I have never come across a more harder working broker than Jordan. He is efficient, professional and excellent communicator throughout. I wouldn’t recommend anyone else for the job and now consider him as part of our team. His ability to understand the needs of our business adds extra value and is worth its weight in gold.” Max Rayner – Director, SCP Capital

“We are pleased to have had the opportunity to fund this property purchase for the borrower. Our flexible and highly skilled team were able to quickly gather all the information they needed to turn this case around from enquiry to completion in five working days. The communication we had with the broker and client and the relationships we have with our lawyers and valuers meant we were able to act quickly and efficiently while maintaining a high level of service.” Nick Russell – Sales Director, TAB.

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

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