

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

Case studies

07.12.22



 **TAB.**

Town Square, Newcastle

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|---------------|------------------|
| Loan amount: | £3,465,000 |
| LTV: | 66.83% |
| Term: | 24 months |
| Security: | 1st charge |
| Product type: | Mixed commercial |

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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

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