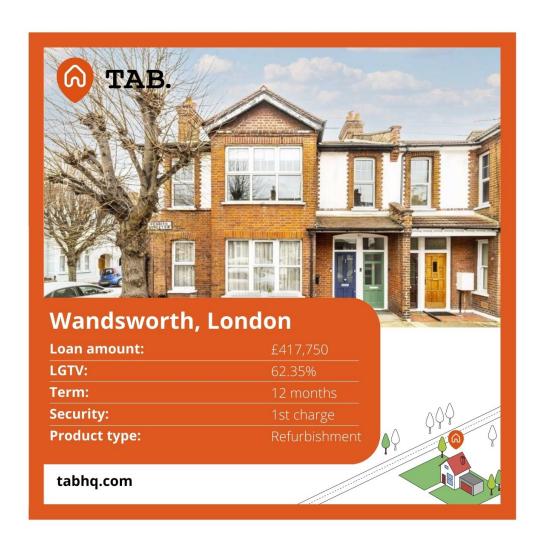


101671 - £417,750 loan against a two bedroom flat in London

Case studies

26.05.23



101671 - £417,750 refurbishment loan against a two-bedroom flat in London



Loan amount: £417,750

LGTV: 62.35%

Term: 12 months

Security: 1st charge

Product type: Refurbishment

TAB provided a £417,750 loan for the refurbishment loan of an end terrace house that's divided into two maisonettes, the lower ground and ground floor. The top floor is owned by another tenant.

The borrowers, who are repeat clients of TAB, are two brothers in a joint venture. They plan to convert the property into a House in Multiple Occupation (HMO) consisting of four self-contained units with en-suite facilities. They will rent out the property under the Local Housing Allowance, which requires the units to be at least 10 sqm in size, have an en-suite, and have their own kitchenette.

The loan from enquiry to completion took just over six months due to the challenges presented by the vendor. However, TAB persevered and kept in regular communication with the borrowers to ensure that when they needed financing TAB had the solution ready.

Once the property is let, the borrower will refinance it onto a long-term Buy-to-Let (BTL) product as an exit strategy.

This article is for information only and does not constitute advice or a personal recommendation. As with any investment your capital is at risk and you should seek advice concerning suitability from your investment adviser.

The borrower negotiated an extremely competitive price to purchase a maisonette in Wandsworth. This allowed them to complete work to convert it into a four-bedroom HMO. The borrower is extremely experienced and we look forward to our continued partnership with them.

Nick Russell, Sales Director



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.

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