

# 107807 - £262,000 residential bridging loan against a three-bedroom house in Norfolk

Case studies

09.09.24



**Norwich, Norfolk**

<b>Loan amount:</b>	£262,000
<b>LTV:</b>	74.86%
<b>Term:</b>	6 months
<b>Security:</b>	First charge
<b>Product type:</b>	Residential bridging

TAB facilitated a £262,000 residential bridging loan for six months at an LTV of 74.86%. This was the first loan in a series of eight properties held under separate entities that the borrower is refinancing across their portfolio. The borrower required the funds from TAB to restructure their entire property portfolio. Despite the complexity of the borrower's situation, TAB was able to offer a quick and effective financing solution. The property is a well-maintained, freehold, three-bedroom, end-of-terrace house built in 1900.

The main challenge with this case was negotiating the deed of postponement between TAB and the client's existing invoice financing facility, which had a charge over the property. TAB had to negotiate a structure where they would become the first charge lender. A deed of postponement is a legal document that allows a borrower to obtain additional financing by giving a new lender priority over other lenders who hold security interests on the property.

This required careful negotiations to ensure TAB's position as the primary lender was secured, despite the presence of the existing invoice financing facility's charge on the property. Navigating the complexities of the deed of postponement was crucial to facilitating this bridging loan and enabling the borrower the first step in restructuring their property portfolio.

The exit plan involves either securing a buy-to-let term loan with another lender or selling some of the borrower's existing properties.

I approached TAB knowing they could handle complex transactions. After speaking with Sophie, I received terms on the same day and the application was submitted immediately. It was a smooth and broker-friendly process. Although the deal wasn't without its challenges, TAB's flexible approach made all the difference. Pre-completion, there was a last-minute issue with the deed of priority, but TAB's underwriter Paul Holmes arranged a call with all parties involved and resolved it swiftly. The matter was brought to completion within the required timeline. Working with Sophie and Paul was a pleasure, and I look forward to considering future transactions with TAB.

**Manish Babla - Broker**

**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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