

Lending against SIPP investments

The client's requirements	<p>The Director of a successful, well established family business was seeking to purchase a commercial property which was to be let out through his Self-Invested Personal Pension (SIPP).</p> <p>Despite an existing relationship and previous SIPP lending arrangements with a high street bank, the client was having difficulty agreeing a new deal and approached Hampden & Co.</p>
Their financial situation	<ul style="list-style-type: none">▪ The client's SIPP had an established track record of generating income and also held property that provided a good level of asset security.▪ The client was seeking to use his SIPP to purchase an additional three commercial premises. These were to be let out with the rental income to be used to service the borrowing.▪ The lending was to be fully repaid over the 5-year term of the borrowing by lump sum payments from the client.
Our assessment and solution	<p>Working with the client's independent financial adviser and SIPP administrator to assess the SIPP and the lending requirements, we offered indicative terms the next day.</p> <p>Our in-house Treasury team quoted competitive terms which matched terms provided elsewhere. Following agreement of the terms, our Credit Committee convened and agreed the borrowing.</p>
The outcome	<p>From the initial discussion to terms being offered took 2 days, with official approval of the lending provided within 2 weeks.</p> <p>A loan to the SIPP of £2,900,000 was agreed and facilitated the purchase of the property. Lending was agreed on a 5-year fixed rate.</p>



John Hilson
Business Development Director

"We are regularly approached by clients seeking to borrow funds with a quick turnaround time. Speed of decision-making, offering competitive terms and the dedicated service of a specialist banker are often what differentiates us in discussions with a client."

All borrowing is subject to status and is available to persons of 18 or over. Security might be required for borrowing in the form of a charge or standard security over land, or other forms of security over your investments or other assets. YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR ANY OTHER DEBT SECURED ON IT.

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