

Property finance group Lendinvest plans £300m London float

Lendinvest, the online property finance platform, is reviving plans for a London stock market listing two years after shelving a previous attempt to go public.

Sky News has learnt that Lendinvest will announce its intention to pursue an initial public offering (IPO) next week.

The flotation plan will come at a sharply lower valuation than a £500m price tag mooted in 2019.

Lendinvest, which was set up in 2008 and has lent billions of pounds to help buy, build or renovate homes across the UK, is expected to seek a valuation in excess of £300m, according to insiders.



Image:

The property market is currently enjoying something of a boom

following a tough start to the COVID crisis
Bankers at Berenberg have been appointed to oversee the IPO.

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Several new board members, including Stephan Wilcke, the former Amigo Loans chairman, have been lined up to join Lendinvest's board.

The others are Penelope Judd, Plus500's former chair, and Dale Murray, a former adviser to David Cameron.

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Insiders said the new capital raised by Lendinvest would enable the company to broaden its product offer to other parts of the mortgage market, such as consumer buy-to-let loans.

Lendinvest raises money from investors such as high net worth individuals and lends it to finance different areas of the UK property market.

Earlier this year, the company announced a £500m investment from JP Morgan to fund future mortgage originations, taking the total partnership with the US banking behemoth to \$625m.

An IPO is likely to crystallise a substantial paper windfall for executive chairman Christian Faes, who was one of Lendinvest's founders.

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The company's chief executive is Rod Lockhart, who said earlier this month: "It's undeniable that the past year brought with it a unique set of challenges.

"Despite this backdrop the business has continued to go from strength to strength, reporting yet another year of milestones and delivering an impressive set of results, with adjusted [earnings before interest, tax, depreciation and amortisation] increasing by almost 200% for FY20/21.

"The opportunity in front of us is significant.

"We will continue to further leverage our platform to target other attractive segments of the market and grow our pool of investor capital."

Lendinvest has always shunned the label of being a peer-to-

peer lender on the basis that the money that finances its loans is provided by institutions or high net worth individuals, rather than retail investors.

The company provides investors with a platform to invest directly in mortgages through a process that it claims is more efficient for both investors and borrowers because of its superior technology.

Lendinvest's employees own a minority of the shares, meaning some of them are likely to see windfalls from a successful IPO.

It will be the latest fintech company to go public in London, following the announcement by Wise, the cross-border payments group, that it is floating in a deal that will value it at well over £5bn.

A Lendinvest spokesman declined to comment on Friday.