Secondary market

In the secondary market you can buy existing loan parts from other lenders. This way you can start earning interest right away and spread the risk in your loan portfolio across more borrowers. As a buyer you are paying for the right to take the repayments due to the seller at the same nominal rate originally agreed with the borrower. You can also sell your loan parts in the secondary market.

In the secondary market FinBee uses a 1% tax rate for your investment portfolio if you decide to sell it to another investor.

How to sell loan parts in the secondary market?

You can sell your loan parts only if at least one monthly payment is received. In your Loans for Sale Market list you can see which of loan parts you can sell and which you can not. Please tick the loan parts you want to sell and click the button 'Sell loan'.

ID	Loan date	Borrower	Term	Rate	Loan amount	Principal repaid	Interest received	% repaid	Arrears	
				This loan part does not qualify for selling because						
No enough repayments made	16.01.23 16:56:11	purksis	60M	10.00%	5.00€	0.00€	0.00€	0.00%	0.00€	Loan details
				This loan part does not qualify for selling because						
No enough repayments made	16.01.21 12:39:05	svetlana	36M	10.00%	10.00€	0.00€	0.00€	0.00%	0.00€	Loan details
☐ 13287	16.01.03 12:28:55	inga10	60M	15.00%	20.00€	0.17€	0.25€	0.85%	0.00€	Loan details
☐ 8620	15.12.04 16:45:28	Medus	48M	35.00%	15.00€	0.23€	0.87€	1.53%	0.00€	Loan details
☐ 8573	15.12.04 16:05:04	Ernestas	60M	25.00%	15.00€	0.24€	0.62€	1.60%	0.00€	Loan details

Back   Sell loan/s

You will see:

Loan ID: 3940

Reserve price ±% value today   [   ] % + ▼

Buy Now price ±% value today   [   ] % + ▼

Listing Duration In Days   [5   ▼]

Days until repayment due: 15

☐ Terms and Conditions   Set price/s

The pricing for both "Reserve price ± % value today" and "Buy Now price ± % value today" work in the same manner. The price is set out in terms of plus or minus a percentage on the value today price. For example, if the value today is 100 Eur and the Reserve Price is set at -1 %, the Reserve price will be 99 Eur.

Reserve price - is the price below which the seller will not sell the loan part, so bids at this price or less will be rejected

Buy Now - price price is a price at which the seller will sell the loan part to the buyer instantly thus terminating the auction process and then completing the sale and purchase

Buy now - is the process to trigger the immediate sale of the loan at the Buy Now price;

±% pricing - is where a price is set out in terms of plus or minus a percentage on the Value today price. For example, if the Value today price is 100 Eur and the ±% pricing (for example for Buy Now) is shown as +1%, the price will be 101 Eur.

When you fill in all the required fields and agree with the terms and conditions, click on the button 'set price' and your suggestion will appear in the list of 'Loans for sale market'.

Loans on the secondary market can be marketed as a premium and as a discount. The premium paid by the buyer (eg. 20%) in the secondary market is the price. The loan price the seller chooses by himself. The only restriction is that the buyer's return can not be less than 2%. This means that vendors can not abuse by setting very high prices and look for those who will take this deal and immediately experience the loss, even if the loan will be fully repaid with interest.

How to buy a loan part in the secondary market?

You can find loans for sale in the secondary market by clicking the button 'Loans for sale in the market'. The list show all possible loan parts you can buy, but you can search loan parts by:

1. Purpose
2. Term
3. Sort by:

Value today - the value of the loan today, calculated as a net present value of the future revenue stream available from that loan, including accrued interest from the last repayment date to today;

Buy now ± % - the price of the loan at which a buyer can "Buy now". The price is set out in terms of plus or minus a percentage on the value today price. For example, if the value today is 100 Eur and the Buy now ±% is shown as +1%, the price will be 101 Eur.

Ann Rate %.

Remaining months.

Advanced search will let you lined loans according to your specified intervals.

Having completed the search click the 'search' button and you will see all loans which are lined by your search preferences. Then select the part of the loan that you want to buy and click on the 'Buy' button if you want to buy immediately, or click 'Bid' to participate in the auction and you will see:

Uncommitted balance: 0.00€	
Loan part ID:	18356
Loan title:	buto remontui 1
Lender name:	julka
Borrower username:	LaimaSta
Number of repayments outstanding:	57
Next monthly repayment:	0.13€
Value today:	0.00€
Accrued interest:	0.00€
Current bids:	There are no offers on this loan part yet
Please enter bid in +/- percent of value today format:	[ ] % + ▼ Lender reserve price: **5.00%** Lender Buy Now price: **7.00%**
Bid calculated as value today, including accrued interest	€
Annualised rate to buyer (XIRR)	

Please enter bid in +/- percent of value today format and you will see the purchase price including accrued interest. Thewn accept with the terms and conditions and press the button.

The key difference to the primary market loans is that in the secondary market, where the winner is the single highest bidder, rather than in the primary market where a number of the lowest bidding lenders win.