PODCAST TRANSCRIPTION SESSION NO. 211 - JOHN GOODALL

Welcome to the Lend Academy Podcast, Episode No. 211, this is your host, Peter Renton, Founder of Lend Academy and Co-Founder of the LendIt Fintech Conference.

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Peter Renton: Today on the show, I am delighted to welcome John Goodall, he is the CEO and Co-Founder of Landbay. Now Landbay are a UK-based buy-to-let mortgage company and we explain exactly what that means in the show, they've been around for a few years and they're really starting to get some serious scale.

I wanted to get John on the show just because they operate in a sort of unique part of the market, particularly when it comes to fintech players and they have seen tremendous growth and they've had a really significant commitment, one of the largest commitments of capital of any of the the UK fintech platforms, and wanted to talk about that.

We talk about that state of the UK property market, how they're bringing technology to bear on underwriting and how they're competing against banks. It was a fascinating interview, I hope you enjoy the show.

Welcome to the podcast, John!

John Goodall: Thanks a lot, Peter.

Peter: So, I like to get these things started by giving the listeners a little bit of background about yourself. Maybe you can give us some highlights in your career to date and what you did before Landbay.

John: Yes, certainly. I did quite a few different things before I co-founded Landbay. Initially, I set up an executive search business, it was focused on financial services and I ended up selling that in January 2007. As it happened, obviously quite good timing as we were focused on pretty much investment banking and at the time it was obviously, it was eight or nine months before things started going wrong. I then actually went and taught economics for three years at an economics university, it had been been a deep interest of mine and this is as it happened during the crisis, 2007 to 2010.

If you remember, it was also at that time that Zopa had started going in the UK so I started investing on Zopa and then, luckily, Funding Circle. And then after I taught three/four years, I then went on to study an MBA and I started thinking about peer-to-peer and then I met my co-founder who I worked with again in the city. I met my co-founder, Gray Stern, in 2013 and we set up Landbay.

Peter: So then what was it that you saw back then, what was the idea that led to the founding of Landbay?

John: So, I had always been really interested in the peer-to-peer market, as I said I was very early on in Zopa as an investor in the loans and thought it was a really good business idea and a good innovation. Obviously, during 2007/2010, I was teaching economics and a lot of my focus at that time, obviously, was on the mortgage market because the mortgage market around the world was blowing up and that was what was driving it.

When I did my MBA and I was thinking about business models, particularly in peer-to-peer, about setting a business up and, you know, I was thinking about mortgages and peer-to-peer. As I said I then met Gray, Gray's background was not in buy-to-let mortgages, but he'd worked in property finance and we started looking at various areas of property lending, initially, and then we settled on buy-to-let. So, it was always a case of actually...as it happened, buy-to-let in the UK had performed very well through the crisis.

So that was always part of the draw, to create something that was relatively low risk, relatively stable, but also, you know, a large market. Most of the people in property lending had gone into development and bridging which we always thought would be a lot more typical and obviously it performs well in good times. Typically, they also do well in downturns.

Peter: Okay, so before you go any further, I want to just get something straight here for our US listeners, specifically. What is buy-to-let, what does that actually mean?

John: Buy-to-let, in very simple terms, it is a residential mortgage, in the sense that it's on a residential property, but it is for the sole purposes of letting out, if that makes sense. So it is not a regulated activity, they're not home loans, but the sort of properties you're lending in are very similar to owner occupied as we call it here in the UK, but effectively, it is a business or commercial loan but on residential property.

Peter: Right, right and obviously letting means renting, we don't use the word "let" in this country. Okay, so then you founded the company and you got going, but what was the...tell us about the loans themselves like these are residential mortgages on, I presume, single family homes or apartments or whatever. What's the loan size, the duration and the interest rate, that sort of thing?

John: Yeah, they're typically on houses or flats, so single family units in US terms, or apartments, occasionally there are what's called multi-unit freehold blocks where there might be one building with four flats and that sort of thing. There are a few other nuances, and also some small student housing type properties, but a typical loan size is...average is right about a quarter of a million sterling, 250,000 to 300,000, but that will range anything from maybe 75,000 pounds and our max loan size is 2 million, but the vast majority sits between 100,000 and 400,000.

The duration of the loans can be up to 30 years, but this is an important thing and again, this is very different to the US market and other European markets, the nature of the UK market is you have typically a fixed rate period which is either two or five years in most cases, and then they revert on to a floating rate.

Normally in the UK market, these mortgages are arranged so when they revert to the floating rate, people typically refix them on to a new 2-year or 5-year fixed rate product. So, although the duration is technically long, the expected duration would typically be two or five years.

Peter: Okay, okay, that makes sense.

John: And we're lending out...our weighted average sort of borrower rate is about 3.5% on buy-to-let and that is typically…buy-to-let is typically 100 basis points higher than owner occupied typically. One other thing that is important is they are typically interest only loans.

Peter: Ah, interesting, interesting.

John: People are paying monthly interest payments, but no capital repayments.

Peter: Right, right, okay. So then when they refinance, they really haven't paid any of the principal off. They're refinancing the full principal.

John: Exactly, and the way we think about these as business loans, if that makes sense, so we are lending to businesses, the business just happens to be renting out property. The nature of that business model is they want to maintain leverage on their assets all the time, if that makes sense.

Peter: Right, so what are we talking about as far as loan to value? What is the average?

John: The average is about 70%. We do occasionally go up to 80%, but again, the bulk is between 60 and 75%. We underwrite typically based on, partly on loan to value, but the large part is around affordability in terms of what the rental payment is relative to the interest payment.

For those listeners outside the UK, they may not be surprised to hear that property values in London are typically much higher than the rest of the country and therefore the yields are much lower in London for the landlord, for the investor and so you typically find the lower loan to values are actually the more expensive but lower yielding properties in London and to a lesser extent the southeast.

Peter: So, does that mean that most of your business is outside London?

John: No, total mix actually. We're probably by pound amounts we're probably 50% or so. London is such a large part of the market and as I said, they're typically larger loans so what you do find is...you know, our average loan size in London is probably half a million whereas in parts of the north they're typically 80,000/90,000 so you don't do as many loans in London, but actually by pound amount it still is, by far away, the biggest region in terms of money out the door.

Peter: Right, right. So then who are these borrowers? Are these sort of professional landowners, like professional investors, shall we say, or is this someone that's doing this on the side, I mean, who is the typical borrower?

John: So, in the broader market in the UK, it can range from people who've got one buy-to-let that maybe....you know, they call them accidental buy-to-lets where perhaps they inherited a property, or two people got married and they both have properties and they kept one and let one out, or people who move out of London, they keep their London flat and rent it out, or something like that. But they end up having a spare house which sounds very…a nice position to be in, but then on the other end, there are professionals who have got 20, 30, 40, 50, 100 houses.

We're typically lending more to the latter group, people who typically have more than four properties and maybe 10, maybe 20. It's not exclusively our point, but we consider that what we call the professional/semi-professional market so they are running it like businesses. They may have another job and sometimes you find that, for example, it's something that contractors do or consultants that might work four days a week and they spend the day looking after their property portfolio and they outsource some things.

They might not be out and out professionals in the sense that they have another income, but it's also a material part of their income. So, that's the market we typically focus on in terms of most of our lending, for people that are really, the way we look at it, people who are treating it like a business.

Peter: Right, right. Okay, so then I'm interested in the technology side of this business because, you know, property, I know, in the UK as well as in the US, it's a very old fashioned, paper-based business with lots of manual paper going back and forth or PDFs being e-mailed, but how have you kind of brought technology to bear on sort of the loan application process?

John: Yes, the application process is totally online so it is paperless in that sense, for us. It's all uploads online, all signatures are digital. We're still in the legal system on the actual final mortgage document, the borrower has to do a wet signature that's done between them and their lawyer and those are posted so we still do get physical loan docs that are in post completion, but the rest of the application is fully online. There is still a physical valuation and all that, we do insist that a valuer goes to the property, but that's all instructed online, etc. etc. It's automatically instructed, that's quite a slick process.

Peter: And what's the time period from the time someone comes on to your site to when the loan is provided, what's the typical duration of that?

John: Well, often the thing that is important thing to say here is, if people are purchasing a property, they may not be in a rush to buy. I think that's one of the myths that's peddled, that people always want quicker. Sometimes for various reasons...the person that's buying it may not be wanting to transact for a few months. If they are remortgaging, they may not be in a rush because they know their current fixer might finish in six months time so they just want to lock in an offer and not actually transact for a while.

So, generally speaking, we are not the slowest part of…we're a fast part of the process that we have...we've completed mortgages in 21 days and that's faster than most bridging lenders can do and people that are bridging, which is very expensive, that are in a rush, but we do it very quickly if the borrower needs to in terms of weeks that is very different from our competition. But in most cases, the vast majority of our cases take two to five months, but that's not because of the speed of our process, it is very much because the borrower, whether it be purchasing or remortgaging, is not in a rush to transact.

Peter: Right, right, okay.

John: That is they are in a rush to lock down an offer and, actually, they just wait to transact.

Peter: Right.

John: They want certainty of funding, but they don't necessarily need funding if that makes sense.

Peter: Right okay, that makes sense. So then, I'm curious about the investor side of your platform because you've talked about...you know, these interest rates are pretty low and, obviously, this is backed by property, but who are the typical investors? I mean, you're set up as a peer-to-peer, what's the mix of like these individual investors versus institutional?

John: Yeah, so when we set out, we were out and out retail peer-to-peer, it's also worth saying like a lot of markets around the world, we set up…we completed our first loan pretty much five years ago, a week ago, so July 2014 we completed our first loan. At that point, we were lending at typically 5.5% or something in the 5's and obviously, base rates in the UK haven't changed. Therefore, we were giving retail investors typically 4/4.5% or so.

Over that time, there has been compression in interest rates in the UK, even though the base rate has stayed the same, so various monetary reasons mortgage rates have just continued to fall, continued to fall as have savings rates on the other side. I'll say now we're typically lending sort of 3.5% or so, maybe slightly higher, therefore, the retail return is much lower, it's about 3% and as you rightly say, for retail investors that's less interesting potentially than the other sites that give 5/6%. Rates in peer-to-peer in the UK have fallen in the last three years, probably on all sites.

Peter: Yeah.

John: And now, 90/95% of what we do is institutional. We have institutional funding, sustained institutional funding for over two years now and that's really driven the growth over the last two years because like you say, institutions like mortgages, banks, funds, they can securitize them, they can leverage them and because of the yield, institutions typically want to do them at scale. So when we do sign institutional agreements, they generally are quite large which is a nice problem to have, but the problem is then you can't do that many of them.

Peter: Right, right, of course. And then what about...obviously, these are interest only loans backed by property, I'm sure there's been instances where, for whatever reason, there's been some default or been late payments, is that just a tiny fraction of your book, or how does it work? Give us some insight into loan performance.

John: Yeah, so we've had zero non-performing loans to date. We've had some late payments, but, you know, a month or two here and there; there has been only one that went into two late payments and that's now been totally cured and that's fully performing, if that makes sense. So, there have been no defaults, there's been no arrears...you know, that hasn't happened in our case and the reason this is very different from other forms of property lending is these are all backed by rental income.

Typically, the rental income would be 170% on average of the interest payment and we have the legal right to take control of the rental payments. So, if a borrower doesn't pay, we can then become what's called receiver rent, get the rent paid directly....we actually haven't had to do this, we've had to threaten it once, but we haven't actually done it yet and that very quickly means that loans do perform because we can manage the property ourselves or with third parties who can help us do that.

So, buy-to-pet is typically very, very well performing. The other thing that's important to say, again, particularly for your US listeners and maybe some other European listeners, mortgage lending, including buy-to-let lending in the UK is full recourse lending so people can't just walk away. If the property value is lower than the loan amount, they are still on the hook for it.

Peter: Interesting, yes, that's not the case here. The financial crisis would have been very different in the US, if that was the case. So, I want to go back and look at the competitive landscape because you're offering very competitive rates, I imagine, banks are not going to be that much lower, so tell us, in the buy-to-let market who do you compete against? Is it the banks, are there other sort of non-bank lenders out there, what's the landscape?

John: Yeah, the buy-to-let is really typically two markets. One is a market where, we sort of slightly alluded to earlier, where it's amateur landlords who don't do it as a business, it's not their main form of income and therefore, banks view it as almost a residential mortgage and they underwrite it and price it like a residential mortgage as well. In that space, historically, that's the largest part of the buy-to-let market.

For people who don't know, the buy-to-let market in the UK is roundabout 250 billion in terms of outstanding so it's about 20% of the UK mortgage market. It's about 36/37 billion a year in terms of gross lending which again, is about just under 20% and the bulk of that market still is those much smaller landlords, historically, and that is served by the big banks, Lloyds, Natwest, Barclays, you know, the very large high street banks who are the dominant players in that.

The other part of the market, which is probably around 15/20% of the buy-to-let market is this more specialist part and in that part we are generally still competing against banks, but these are not the high street banks. They are mid-sized challenger banks who wouldn't be household names, but these are people like OneSavings Bank, Paragon Bank, there is many of these FTSE 250 listed banks and then some other non-bank lenders.

The interesting dynamic is that former market which is the large part is shrinking in total volume, whereas, this specialist part is growing roundabout 20% a year or so. The former part in terms of pricing, again, it's priced like owner occupied mortgages so people are typically lending in the 2's whereas the specialist market is lending in the 3's if that makes sense.

Peter: Okay, yeah, yeah, makes sense.

John: Most of our competitors are banks, but it's really not the high street banks.

Peter: Okay, so then the investors, the institutional lenders you're working with, are they typically the large financial institutions? I want to talk about the 1 billion pound funding commitment that you got as well, like what segment of the market is coming to Landbay to put money to work?

John: It's a mixture of banks and then funds which I suspect is a bit different to most other marketplace lenders or peer-to-peer lenders in the UK. In most cases, what we've seen is funds who then buy loans and securitize. In our case, we've worked with some of those and we have others that we're speaking to and those are interested in assets. They, typically...credit funds have bought books of mortgages and then securitized them, it's one of the things that they've done, but actually, at the same time banks like mortgages, they're very efficient from a capital point of view.

In the UK, most banks' balance sheets is predominantly mortgages, it's how they can get volume. Typically, I think the thing that's different with us than with other peer-to-peer marketplace lenders is actually a lot of banks that we speak to...some banks do lend on our platform as well which is slightly different to the rest of the market.

Peter: Right, right. And so then, let's just talk about that...it was just a couple of weeks ago as we're recording this, the 1 billion pound funding commitment you received from a nameless financial institution, or an unnamed, shall we say, financial institution. So, tell us a little bit about the genesis of that deal because obviously, you know, that's a pretty significant deal for a company of your size.

John: Yeah, it is. You know, actually it came out relatively quickly, it was a relatively quick process. I mean, obviously, we were already starting to lend at a decent volume, we already had institutional funding on the platform. In the UK, we've won numerous awards for best buy-to-let lender and not just best buy-to-let specialist lender but best buy-to-let lender, so without blowing our trumpet, we're quite well known in the market within the people that look at mortgages. They know about us, we've hired people from a lot of the top buy-to-let lenders, you know, quite high profile people in the mortgage industry, so our brand in that world sort of backs up at our side, if that makes sense.

Actually, we were not aware that this particular institution was actually looking to invest in mortgages and someone introduced us and said oh, you should go speak with them, I think they're interested in funding mortgages and I think they hadn't contacted us directly. They thought we were fully tied up already with other institutional funders and so, we met mid-February and we wrote term sheets, you know, within a matter of weeks, and having done due diligence, and then obviously the legal process took a little bit longer. It was, actually, a pretty quick deal for something of that size.

You know, obviously, we've been through due diligence before a number of times by institutional investors, and they had it on the other side, so we both knew what we were doing and we got through it pretty quickly. Obviously it went to legal, that naturally took a little bit longer and starts to become a bit more expensive.

Peter: Right, I'm sure. I presume they decided they don't want their name released. Are we going to find out about it eventually, or is this going to be something that will always be hush hush?

John: Yeah, I mean, I think, as you can imagine, we would have loved to name them. They're a very blue chip financial institution, it's someone we're quite proud to be working with, but unfortunately, we can't name...at some point, the expectation is those loans will be securitized, that's the likely outcome and so at that point, obviously, then it does become in the public domain. But that's their call when they securitize loans and then, by definition, it does come out.

Peter: Right, right, okay. So, that was a billion pound commitment, can you tell us the scale that you're at today?

John: Yes, so now...you know, I think, to date now, we've lent 350 million and we're sort of...this month, we're sitting in the middle of 2019, we'll lend about 30 million a month, I think, by year end that will hit close to 40 or so. So, we're running at sort of a decent scale, but that will take us a few years to get through and, bear in mind, not all of our origination is going to this institution. We have other institutions so we haven't removed any institutions from the platform at all.

So, the expectation is that billion will be fully deployed in about three years, and again, in very simple terms, we would expect, broadly speaking, for them to do a pool of roundabout 300 a year and then to securitize every year. So, the way we think about it, it probably is three securitizations, broadly speaking, every year.

Peter: Right, right.

John: It may not work out exactly like that, but that's kind of back of the envelope of how it should work.

Peter: Right, got it. Okay, so I do want to ask you about the state of the market and the dreaded "B" word which I'm sure you're totally sick of talking about, but I think....

John: B for Boris? (Peter laughs)

Peter: Boris and Brexit, might be very, very well intertwined here pretty soon, but yes, I mean, obviously, Brexit is still looming and with the current state of affairs, it's possible that a hard Brexit might actually be on the horizon. I wanted to get your sense about how are you thinking about that?

Obviously, the impact is unknown, but the impact is going to be negative, that much I think everyone would agree on, particularly on the property market which had some challenges in the financial crisis, I know you said that your particular part of the market did well, but how are you thinking about Brexit and the possibility of a hard Brexit that is going to cause an economic shock to the UK?

John: Yeah, I mean, as you know, Peter, you're a regular visitor to the UK and obviously, this is now three years since the referendum and a hard Brexit has loomed as a possibility a number of times and certainly this year and it's made zero impact in terms of unemployment to date. Quite the opposite, the employment and wages have been pretty resilient, actually, but quite the opposite, more than resilient, I mean, it has been phenomenally strong figures throughout.

So, the broader economy, you know, still continues to perform pretty well and again, as you can imagine, certainly around the turn of the year when obviously at that point March 31st was kind of the deadline, or late March so we're sort of back there I suppose in terms of the amount of time to potentially leave the EU.

We went to speak to institutions that fund us and say, look, what's your take, you know, what's your view on the mortgage market, what happens if we do, are you still committed? And we've certainly seen this over the course of this year, you know, not just the deal we have announced, the appetite to invest in the UK mortgage market for different types of funders, whether it be banks or non-banks, is still there. Obviously, we are quite an established platform with less execution risk, but there doesn't seem to be any funding risk, as far as I can see, despite Brexit on the horizon. There's still an appetite for various types of institutions to deploy into the mortgage market.

Considering what you've said, like you say, it's quite surprising, when you think…a lot of people would think, well, let's just sit this out, but that does not seem to be happening in our market, maybe it's because what we do is relatively defensive. You're right, in terms of the broader property market, in London, we've definitely seen, over the last two years, the softening of the London market not by a huge amount, I mean, it's fallen by a few percent here and there.

Where actually, the high value properties have fallen more, but it's worth pointing out there have been some changes to stamp duty roundabout the same time as the Brexit referendum, and so more expensive properties got quite a significant hike in stamp duty just before the Brexit referendum so that hit the London market quite seriously anywhere at that point. Obviously, there is then this concern in terms of how it affects bankers, and obviously, in terms of people with high income, bankers are a significant part of it, in terms of the banking sector.

And also, it's worth saying the threats at the same time which is maybe linked to Brexit...there's obviously a potential threat of a Jeremy Corbyn government who have been quite vocal about property taxes and bankers' taxes as well. So you've got this sort of perfect storm in some ways for high value London properties who are potentially going to be taxed more by Jeremy Corbyn, there might be some Brexit impact directly at the property market, but also in terms of bankers' pay and jobs market, etc. etc.

So London has definitely been affected and part of that is Brexit, I think some of it is stamp duty, some of it is probably a potential risk of further property taxes by a changing government. So, you've definitely seen that in London. Actually, in the rest of the UK market, we haven't seen that.

We've seen actually property prices continuing to pick up slowly, not at fast levels, maybe 4/5% a year growth. Inflation in the UK is 2 to 3%. So, there's been a bit of a catching up in the rest of the UK where, obviously, the London property market was running at sort of double digit price growth up until roundabout three years ago. You know, in some ways, I think, actually, it's probably a good thing that the London market…the sting has been taken out a little bit.

Peter: Right.

John: Obviously, in terms of Brexit and what happens, whether it's hard, whether it's soft, whether there is a deal, if there is a hard Brexit, how quickly we adjust to it. What the Bank of England might do, in terms of things like term funding scheme which they did after the referendum in terms of injecting money to the system, we don't know, but, you know, while I think people are talking about a lot, that there doesn't seem to be as...people seem to be getting on with stuff, they don't seem to be delaying decisions based on, oh, we might have Brexit in three months and we don't quite know what it looks like.

So for most businesses, we know...you know, it's business as usual which, like you say, with something that could be very hard and could be quite a shock to the system. It's covered more in sort of the political page of newspapers compared to what actually people talk about on the ground.

Peter: Right, right, understood. Okay, so we're almost out of time, a couple more questions here. I know you've been to the US many times, you've come to LendIt several times, I'm curious about any plans for international expansion, not just the US, but maybe into mainland Europe as well?

John: Yeah, so it's something we can always look at, it's not on the immediate horizon. We still think…saying that the UK market in the buy-to-let is, you know, just under 40 billion a year, 240 billion outstanding. We want to become a leading player here, not just a leading fintech in the space, we want to be the leading buy-to-let lender so, we've got a long way to go. This year we will be about 1% of gross lending in the UK buy-to-let mortgage market.

You know, we want to get that to at least 5% and maybe as much as 10% over the next three/four years, so, we've got quite serious growth plans in the UK and we're pretty focused on that, we do keep an eye on the markets. The US market, because of Fannie and Freddie, is quite complicated, particularly the buy-to-let market, there is some element of regulation in it.

So, we looked at it before, it's very different to the UK market so our instinct is what markets are similar to the UK. There's the Irish market, but that's pretty small, there's the Dutch market which is quite interesting, but still very small but it seems to be growing and there's the Australian market which is interesting, but a long way away. (Peter laughs)

They've all got issues, but we do keep an eye on all of them and we sort of look at them, but there's nothing on the horizon over the next two/three years because whenever we looked at it in detail, we say, well, where is the best place for us to grow today, next year, even the year after and the answer to that question is always the UK.

Peter: Okay, yeah, that makes sense.

John: At some point, when it ceases to be the UK then the question is, okay, do we move naturally into other parts of the mortgage market, or do we do something, you know, exactly what we do in the UK, but then transport that into another geography.

Peter: Okay then, so looking over the next 12 months, what are you working on, what's next for Landbay?

John: You know, a lot of it is to do more the same, you know, to continue to diversify funding. We've got this billion we want to sort of get through as quickly, but as safely as possible. We're about 80 people now and that's up from about 55/60 at the beginning of the year as I was saying to you earlier before we started recording this, we've just taken on additional office space, so we're making a massive investment in technology and the focus over the next year is to grow our brand, our business in the buy-to-let market on one side with our sales team.

We've already made a lot of progress there, but the next thing, actually, we think we can use technology a lot better, not just on the origination side, but how we allocate loans, how we process loans, how we automate bits of the process, how we report to our institutions, how we allocate loans, etc. etc. So, there's a big investment that we're doing there and growing the team, so we're quite...over the next year, I think a lot of what we do is going to be quite internally focused on that side, just sort of really build what we've got, it's not just on the front end origination side.

Peter: Right.

John: I think longer term, I think I've said this before so I'm not giving away any secrets, our plan for the business is to IPO it, that's still quite a number of years off, but we're always thinking, we've got to get the structure, the governance, the reporting in line so that we can operate in a few years now as a publicly listed company. So that's always been at the back of my mind, but that's a longer term, that's not 2020, that's probably 2022 or something.

Peter: Okay, great. We'll have to leave it there, John, I really appreciate you coming on the show today.

John: Thanks a lot, Peter.

Peter: Okay, see you.

You know, it's interesting to me that when I talk with people in the UK, particularly the CEOs of these fintech companies, it's amazing to me how many of them just...one, they're sick of talking about Brexit, but two, they just want to get on with it. You know, Brexit is still looming large certainly in the political pages and most people are just getting on with it and, you know, will deal with whatever ramifications it creates.

Obviously, a hard Brexit is going to be terrible, I think, for the UK economy, but investment is still flowing. John talked about the billion pound commitment he's done, that was in the light of obviously knowing a hard Brexit is a distinct possibility. Hopefully, we'll know completely in a few months time, but right now, the UK is just getting on with it.

Anyway on that note, I will sign off. I very much appreciate your listening and I'll catch you next time. Bye.

Today's show was sponsored by LendIt Fintech Europe 2019, Europe's largest fintech event for lending and digital banking. It's taking place on the 26th and 27th of September in London at the Business Design Centre. Lending and banking are converging, LendIt Fintech Europe delves deeply into this new world bringing you the latest developments in the most important areas of fintech. LendIt Fintech, lending and banking connected. You can find out more and register at lendit.com/europe

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