**PRESS RELEASE**

**\*\*\* Monday 19th March 2018 \*\*\***

**The Six Best P2P IFISAs Available Now**

**New 4thWay IFISA Comparison Service Now Live!**

As “ISA season” gets underway on 6th April, 4thWay’s new and impartial IFISA comparison service is now live to help compare the risks and features of different peer-to-peer lending products (1). There are currently 76 platforms with FCA authorisation and HMRC approval to provide Innovative Finance Individual Savings Accounts (IFISAs). However around 30 IFISAs are available right now.

An IFISA allows you to lend up to £20,000 per tax year to individuals, businesses or to property owners. This allowance is shared between all types of ISA: IFISAs, cash ISAs, stocks and shares ISAs, and lifetime ISAs. While investors can still access P2P lending through ordinary accounts, which can sometimes be tax free with personal allowances, the biggest advantage of opening a P2P IFISA is that the gains are always tax free.

**The Best IFISAs Available Now**

The main criteria for selecting these IFISAs are the same ones that 4thWay's research team use for selecting P2P lending investments:

* The type of lending (especially considering how intrinsically risky it is).
* How long these peer-to-peer lending sites have been going.
* The amount of loans completed.
* An assessment of the people and processes behind the P2P site that enable it to choose borrowers, set sensible interest rates and recover bad debts.
* Bad debts and late payments.
* Protections such as reserve funds to cover losses.
* The interest rates.
* Where there is enough history, the P2P lending sites should pass 4thWay’s severe stress tests, based on a much tougher version of the international stress tests that banks are required to do. These tests indicate how lenders will do in a severe recession the same or perhaps worse than in 2008 and during a property crash that leads to distressed property sale prices that are -55%.
* Focusing on the P2P lending sites that have provided 100s of data points to us, followed up by email Q&As and then telephone and or/in-person meetings to better assess the risks, the people, the business itself and its processes.
* **Category 1: lowest-risk IFISAs**
* Landbay, residential buy-to-let lending
* Lending Works, personal loans
* **Category 2: best IFISAs for selecting individual loans yourself**
* Proplend, property loans to commercial and residential landlords
* FundingSecure, asset-backed loans
* HNW Lending, mostly property loans

## Category 3: best property IFISAs

* Landbay, residential buy-to-let lending
* Proplend, property loans to commercial and residential landlords
* FundingSecure, asset-backed loans
* HNW Lending, mostly property loans

## Category 4: best secured business lending IFISAs

### Assetz Capital, secured business (and property) loans

As the number of IFISAs is growing, the list above is updated every month. Please visit <https://www.4thway.co.uk/candid-opinion/best-ifisas/> for the latest information, and <https://www.4thway.co.uk/compare-ifisa/> for a full comparison of IFISAs.

Neil Faulkner, co-founder and managing director of 4thWay®, highlights some of the risks associated with IFISAs:

*“Innovative Finance ISAs are an investment and must not be misunderstood for typical savings accounts. As with all investments, by far the most essential step to reducing risks down to a sensible level is to spread money around, not putting all your eggs in one basket.*

*“Beginners might stick to platforms that have at least a few years’ history and are very open about their interest rates, and which have a record of low bad debts or great bad-debt recovery.*

*“Look for simple types of lending you understand, and draw firm lines in the sand that suit your risk appetite, e.g. when opening an IFISA that allows you to lend to residential- or commercial-property landlords, just lend when the maximum loan is 60% of the property valuation and when the properties are fully tenanted.*

*“The basic investment advice also applies: don’t invest if you have any doubts at all about the investment opportunity or the people running it, because this leads investors to make potentially costly mistakes out of greed or blind panic.”*

**-ENDS-**

**NOTES FOR EDITORS**

1. 4thWay IFISA Guide: <https://www.4thway.co.uk/guides/about-p2p-isas-guide/>

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**About 4thWay® – P2P Lending Research Approved By Your Peers**

4thWay® is an independent ratings agency for the peer-to-peer lending market that helps investors make comparing the many risks and aspects of lending through each P2P lending company easier. We uniquely have the full range of skills to research opportunities in this sector, and provide unbiased P2P lending comparisons, calculated ratings, detailed company insight reports, as well as exclusive lending tips, all available at [4thWay.co.uk](http://www.4thway.co.uk/)

Our mission is to be the most trustworthy source of information for P2P investors in the UK - which is why we hold ourselves accountable to our users, who govern us through a *Panel of Peers*, ensuring we always stay focused on individual lenders interests in this thriving market.