

## Retail Charity Bonds

**Flexible finance for positive impact**

Allia has issued eight Retail Charity Bonds, which have generated more than £185m.

Allia designed Retail Charity Bonds to make it easier and more affordable for charitable organisations to raise unsecured fixed-rate finance through bonds listed on London Stock Exchange.

## Housing

### Hightown Housing Association

**Two bonds for Hightown, in 2017 and 2015, raised £58.5 million in total**

Hightown is a charitable housing association whose core business is providing sub-market rented properties to people in housing need who are unable to rent or buy on the open market.



In October 2017 a bond was launched raising £31.5 million, offering a fixed rate of interest of 4% per year for a term of 10 years. And the previous Hightown bond was launched in March 2015 raising £27 million. Both closed early.

The bonds will help the charity provide high quality homes to homeless people and those who cannot afford to rent or buy at market rates.

David Bogle, Chief Executive of Hightown, said:

*"We embarked on this funding route as it presents an opportunity for ethically-minded investors to contribute to the delivery of much-needed affordable homes. Once again, the early closure of the Retail Charity Bond underlines the value of building the affordable homes that our region so desperately needs."*

### Dolphin Living

**The fastest selling Retail Charity Bond yet, Dolphin Living's bond raised £25 million in just one day**



Dolphin Living is a London-based housing charity that provides affordable homes for working Londoners on modest incomes.

Launched in June 2017, the Retail Charity Bond for Dolphin Living raised £25 million in just over 24 hours, offering investors an interest rate of 4.25% for a term of 9 years. Funds will be used to invest in the growth of Dolphin Living's London portfolio.

Olivia Harris, Chief Executive of Dolphin Living said:

*"We were delighted at the success of the Retail Charity Bond. Traditional mortgage finance carries with it a number of restrictions and we felt the bond offered more flexibility, enabling us to manage our property and investments more effectively."*

## Golden Lane Housing

### Two Retail Charity Bonds for Golden Lane Housing raised £21 million in total



Golden Lane Housing

working in partnership with  mencap

Golden Lane Housing (GLH) is a leading national charity providing housing for people with a learning disability.

In 2014 the first Retail Charity Bond was issued to them, offering a fixed rate of interest of 4.375% per year for a term of 7 years. The offer closed early after less than two weeks, with around 60% of the subscriptions from individual retail investors and the remainder from institutional investors.

Alastair Graham, Director of GLH, said:

*"The Retail Charity Bond has not only given us access to finance on more attractive terms, but has also given a major boost to the profile of GLH and, more importantly, of people with a learning disability."*

## Care

### Belong

#### The largest Retail Charity Bond issued to date, raising £35 million in just over one week



Belong is an award-winning charitable care provider that creates vibrant village communities enabling older people to live the lives they choose.

In May 2018, Belong became the second care organisation to raise finance through a Retail Charity Bond – raising £35 million.

The bond is the eighth – and one of the largest – to be issued through Allia's Retail Charity Bond platform, and took the total raised to date to £192.5 million. Belong is the second care organisation to raise finance through the platform.

Tracey Stokes, CEO of Belong, said:

*"The Retail Charity Bond appealed to us as its covenants enable us to operate more flexibly than traditional bank and lease financing arrangements, whilst at the same time mitigating against the current economic uncertainty with a fixed interest rate."*

## Greensleeves Care

**The first care organisation to raise finance through a Retail Charity Bond, raising £33 million in one week.**



Greensleeves Care is a growing charity that provides care for older people in its residential, dementia and nursing homes across England. In March 2017, it became the first care organisation to raise finance through a Retail Charity Bond – with the offer raising £33 million in just one week.

The bond offered investors an interest rate of 4.25% for a term of 9 years. The offer closed early and oversubscribed, with around 70% of the investment from or on behalf of individual investors. Funds will be used to increase the number of residents Greensleeves supports through buying and developing new homes, as well as refinancing existing debt.

Paul Newman, Chief Executive of Greensleeves Care said:

*“We are delighted to have been part of the largest Retail Charity Bond issue. We believe the bond issue provides us with an excellent platform for long term growth, and estimate that it will save us around £1 million in interest payments to the bank over the life of the bond.”*

## Charity

### Charities Aid Foundation

**The CAF Retail Charity Bond raised £20 million in less than a week**



The Charities Aid Foundation (CAF) helps people and companies support the causes they care about and provides financial services for the charity sector.

Working to a strict three-month timetable for raising the finance, the bond was launched in 2016, was oversubscribed and had to be closed early, after only four working days.

Dr John Low, Chief Executive, CAF said:

*“We have been delighted at the reception to the CAF Retail Charity Bond and its early closure. The proceeds of the Bond will be used to further our work, enhancing CAF’s services for donors and the thousands of charities we work with.”*

For more information, please contact [impactfinance@allia.org.uk](mailto:impactfinance@allia.org.uk) or call 0845 456 2431

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