

# Simple development finance for Scottish housing

Allia's Scottish charitable bond programme provides flexible loans for housing associations, supporting the vital development of affordable housing across Scotland.

To date, Scottish Government has invested almost £70m in Allia Scottish charitable bonds, resulting in 14 loans for 10 housing associations. These are expected to provide over 900 new affordable homes. The loans are unsecured, with simple and straightforward terms, for up to 10 years – and it's only at the end of the term when the loan and interest needs to be repaid.

The added bonus is that any interest on the loans is re-used by Scottish Government to create a grant fund, so they can donate funds to further support housing development – which helps keep the money in the sector you work in. So far almost £20m has been donated, a real positive boost that couldn't be achieved through other finance options.

**Here's what some of the housing associations we've helped have said:**

## Ayrshire Housing

Ayrshire Housing is one of Ayrshire's leading housing associations with over 1,500 houses.

The £1.6m loan in 2016 enabled Ayrshire Housing to build 22 new affordable and energy-efficient homes for their community.

“ Allia's approach boosts confidence since the facility is guaranteed from the inception of a potential project. This translates into bricks, mortar and jobs. ”

**Jim Whiston, Director of Ayrshire Housing**



Photo credit: Tom Manley, Ayrshire Housing

## Hjaltland Housing Association

Hjaltland Housing Association aim to provide high-quality housing for tenants throughout Shetland.

The loan of £1.3m they received in 2017 has helped them on their way to reaching their new home target, by enabling them to build 31 new homes in Tingwall, Scalloway and Lerwick.



“ The funding was very straight forward to put in place and minimised the upfront arrangement costs. This included a significant saving on legal fees due to the limited security requirements of the loan. ”

Susan Gray, Head of Finance and Corporate Services of Hjaltland Housing Association

## Lochaber Housing Association

Lochaber Housing Association was set up in 1988 as a response to the chronic housing need in Lochaber’s rural communities.

With a £2m loan in 2016, they have built 62 affordable homes, bringing significant benefits to the area.



“ As well as offering a competitive rate, streamlined process and one main covenant; we were offered a facility which means we can return to Allia at a future date and the groundwork has already been done. ”

Margaret Moynihan, Head of Corporate Services of Lochaber Housing Association

## Orkney Housing Association

Orkney Housing Association’s £2m loan in 2016 has meant they have been able to build an additional 30 new, high-quality and affordable properties for tenants and sharing owners. It also provides continuing work for local contractors – so supporting the local island economy.



“ The Allia staff are both helpful and efficient, and the legal process was painless. ”

Sandy Dennison, Finance Manager of Orkney Housing Association

## Find out how we can help you

As a not-for-profit, we’re here to help you achieve your goals and development targets, by providing a credible funding alternative.

For more information about Allia’s Scottish charitable bond programme for affordable housing, please contact us on Email: [impactfinance@allia.org.uk](mailto:impactfinance@allia.org.uk)  
Call: 0845 456 2431

