

# Ecology Building Society



## Our Mission

Building a greener society by providing mortgages for properties and projects that respect the environment and support sustainable communities

## Our Specialism

Non-standard cases – we are the experts in unusual and unique projects and often funds projects other lenders can't

- Innovative award-winning mortgages
- Our mortgages incentivise energy efficiency through mortgage pricing
- Lending assessed on environmental benefits of the project

**YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE**

# Community Led Housing lending @ Ecology



- Development finance for groups available (up to £3m and a maximum LTV of 80% at any phase)
- Stage payments available benchmarked against the increasing value of the plot / site
- Longer term mortgages supported by rental income over up to 40 years
- “Affinity” residential mortgages available to cohousing lease buyers, including shared ownership (up to 95% of share) and restrictive price covenants (e.g. up to 90% of restricted sale value)
- Also willing to look at deep renovation / conversions and unusual tenures

# Passivhaus designed community build for affordable rent – Nith Valley



# Stage Payments

## Arrears Stage Payments

- Payments released after each stage of the build is completed
- Released as specific stages of construction: plot purchase, foundations, wall plate, wind / watertight, first fix, second / final fix
- Stage payments dependant on increased value in property

## Advance Stage Payments

- Payments released at the start of each build stage
- Released as specific stages of construction: plot purchase, foundations, wall plate, wind / watertight, first fix, second / final fix
- Stage payments guaranteed based on project costs

# Key issues

- Securitisation – First Legal Charge, possibly collateral warranties
- Ecological specifications
- Governance
- Demand
- Point of application / illustration
- Flexibility – staged drawdowns, interest only options, no non-utilisation fees

# Our Approach



- Good liaison between lenders and support networks including regional hubs, lawyers and valuers
- Importance of case studies and sharing of best practice
- Importance of good sector data to tell the financial world we are not “flaky, high–risk, amateurs”
- Innovative relationships with developers and kit suppliers including MMC and more traditional materials – even timber frame still an issue for some mortgage lenders!!!
- Good understanding between Government managed funds and lenders essential!