



Loanstock Investor's Pack

Bruadair Housing Co-operative Ltd.

FCA registration no. 4380

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About Us

Bruadair Housing Co-operative is a group of individuals and families who have come together through our shared housing needs. We are artists and makers, greenfingered and outdoor types with specific requirements from our housing. Mostly, we have come together through art school and the art scene in Edinburgh; originally living in a shared house in the Pentland Hills where we decided to take control of our housing needs. In April 2017 we constituted as a housing co-op and are now a multi-generational group of 10 adults and 8 children living in various houses across Edinburgh and the Lothians.

Bruadair is a hands on group of people who've been brought together through a desire to live in alignment with our ethics and values. Within our group we have a broad range of skills and interests, in particular our job titles include; a green woodworker/ timber framer, a potter/ceramicist, community artists, a women's advocacy worker, print maker, yurt builder, craft and textiles artist, computer engineer, and wholefoods co-op worker. On top of our work we also maintain other commitments; four of us are parents to kids aging from 3 to 16, three of us are core members of Radical Routes working groups, four of us are involved with Inspiral Arts (a non-profit co-operative of community artists) and many of us volunteer with various organisations and charities. More information about our individual projects can be found on our website.

We share the common goal of living in affordable and environmentally conscious housing within a group of like-minded people. We want to provide a safe and inclusive space, particularly for children but also for parents and individuals to have a support network on hand to help out when they need it. We are looking for a suitable property with land to house our group. Our community can then grow from this base using our individual skills to create a way of living that is self-sustaining, mutually supportive and allows us to live and work in a way that fits our lifestyles. Once we have become established and our housing has become more secure, our aim is to support other groups to become housing co-operatives to achieve similar goals. We would like to see a network of co-operatives in Scotland providing social housing and allowing communities to flourish. As a part of Radical Routes, we are already collaborating with other grassroots co-ops in Scotland. Another aim for this project is to provide an alternative to the nuclear family which can lead to isolation and lack of community support. We hope to set an example for social housing and how it can be done in a way that enriches the lives of both people within as well as outwith the project.

What is a housing co-operative?

A housing co-operative is essentially a housing association, governed by the tenants/members through consensus decision making. They provide rented housing without landlords, or rather the tenants are collectively their own landlord. By setting up this housing co-operative we empower ourselves to take control over one of the most fundamental aspects of our lives, our housing needs. Registering as an Industrial and Provident Society gives a group the legal structure which allows it to operate as a co-operative. Industrial and Provident Societies are entitled to advertise and issue loanstock to the public; a form of ethical investment.

So why have we chosen to become a housing co-operative? Many of us have lived in rented housing for most of our lives and have come to feel increasingly frustrated. As tenants, we have paid significant amounts of money every month whilst not gaining rights over our homes and simultaneously enriching landlords who we don't even know. Many of us have spent a lot of time living in housing that doesn't actually meet our needs and after years of paying rent, being given 2 months notice to leave. By starting a housing co-op, we are taking our housing into our own hands. We can choose for our money not to contribute towards another individual's personal wealth but rather use it to enrich our lives, as well as that of the community around us. By becoming a co-op, we give ourselves a space to live which is secure, autonomous, affordable, non-hierarchical, socially minded and mutually supportive. On top of that, having control over our housing gives us the possibility to address our energy, work and health needs in a sustainable and non-exploitative way. As part of our constitution we have created a series of environmental policies so that our organisation is tied to accounting for environmental and sustainable concerns as part of providing housing.

Radical Routes

Bruadair Housing Co-operative is a member of Radical Routes. This is a mutual aid network of radical co-ops working for positive social change. The network is made up of housing co-ops around the UK, alongside a few workers co-ops and social centres.

As a member co-op, we are required to maintain a series of work commitments. This includes attending quarterly gatherings where decisions are made as well as participating in working groups. Currently from Bruadair, we have one core member working in the Radical Routes finance group and two members working in the publicity group. We are also one of four co-ops working towards establishing a network of housing co-operatives in Scotland. Once we have our own property we will make hosting Radical Routes gatherings one of our priorities.

For more info on Radical Routes, please visit the website; www.radicalroutes.org.uk

What kind of property are we looking for?

We are looking for a rural property that's near Edinburgh and the Lothians where many of us are currently based, allowing us to maintain work, social and family ties within Edinburgh, but also far enough away to be affordable and provide enough space for our community to grow. With ever climbing rents in and around Edinburgh our first condition is to provide affordable housing which means finding a property that's within our budget. To facilitate this, we are looking at properties in need of repair which allows us to tailor the property to our needs as well as making it financially accessible.

The physical requirements we need from the property fall into several criteria. Our first priority is of course housing; we need to be able to house all our members and provide both communal and private spaces for individuals and families. This means that the property must feature a central or core building to be used as a communal and social space including shared kitchen and lounge to allow the community to eat, meet and relax together, shared facilities and some bedrooms. In addition to this shared space, we also require smaller units or outbuildings serving as homes for people who need their own space, particularly older people, couples and families. This model is ideally suited to an old farm building with an adjacent steading or outbuildings that can be renovated over the first 5 years.

The next requirement on the property is to provide work space for residents. As artists and crafts people many of us require workshops or studios to earn our living. This means finding a property that can provide outbuildings to serve this purpose, or building these ourselves over time. Initially, we will use these as spaces to work on any renovation that is needed on the property as well as for further maintenance as time goes by. We want to open up these spaces to the wider community where it would serve as a shared learning hub and educational space to encourage skill sharing.

Having plenty of acreage is also high on our priorities. This is split into two categories; growing land and green space and would be managed using permaculture principles. Sourcing food locally and ethically is important to us, therefore having enough land to grow our own food is a big part of wanting to live rurally. This land will consist of vegetable gardens, orchard, polytunnels/greenhouses, and space to keep some animals, namely chickens. Secondly, by green space we mean having some outdoor recreational gardens as well as allowing some of the land to grow wild, allowing native plants, trees and animals to flourish with minimal human intervention within either an established area of woodland or space to plant trees.

Finally, we have a more long term plan to make the property as self-sufficient and sustainable in terms of infrastructure as we can. Our focus here would be on finding a property that could support this as we develop it over a number of years; part of the reason we want to find a property that's fallen into disrepair. This will mean developing wind, hydro or solar power depending on the location of the property as well as finding ways to renovate that have less environmental impact. The property itself will determine how we can develop it sustainably but mainly we will rely on our own resourcefulness in finding creative solutions.

Why do we need money?

The UK Government regards a low wage as people living on 60% or less of the median wage in the UK. In 2019, this is considered to be £28,677 a year, meaning people earning less than £17,000 a year are considered to be on a low wage. On top of this, rents in and around Edinburgh are at an all time high making it a real struggle for people in the lower income brackets. As artists, crafts people and single parents, most of us are considered to be on a low wage and do not come from backgrounds where we will receive inheritance. This means we are trapped into renting properties over which we have little control and that don't meet our needs.

As a housing co-operative, our aim is to provide affordable housing for people on low incomes and therefore we need to find external funds to kick start our project. Once we have purchased a property, the money charged in rent (which will be dictated by the Local Housing Allowance Rate) will be used to pay back loanstock, loans and mortgage. By slowly paying off a mortgage and loans using rent payments, our group can then use our combined income as a way to provide a form of social housing that we will then have control over whilst also bypassing the need to come up with large sums of money for a deposit.

To buy a property we need to raise a deposit of around 30% of the property value, with a mortgage making up the rest. As a member co-operative to Radical Routes, they will give us around 10% as a general rule of what we need to pay a deposit. We are currently looking at properties around the £600k mark.

We will need to raise around £230k for the deposit plus additional costs that come with purchasing a property. There are more details on Business Plan on page 10. Since we have joined Radical Routes, they should be able to provide us with a loan of up to £60k, so we need to raise around another £170k through loanstock to make our dream come true. The rest of the money needed to buy the property will come from an ethical mortgage lender.

What is Loanstock?

Loanstock is the term used for money invested in a co-op by external parties. There are other methods for such parties to invest, but one of the advantages of loanstock is that it cuts out intermediary services and their cost, so the full amount goes directly into the co-op.

The system is best described as a type of 'fixed-term investment' – this means people lend money to the co-op for a fixed period of time. If wanted, the co-op pays interest to the loanstock holder, and will issue an extra loan stock certificate to cover this interest each year. At the end of the set period, the investor is paid back in full, including the interest.

The co-op does not deduct tax from the interest – it is the investor's responsibility to declare the interest on their tax return. If anyone receives more than £250 interest in a year, the co-op is legally obliged to make a special declaration to the local tax office. The loanstock is an unsecured investment. Loanstock investors do not own equity in Bruadair. However, the reassurance that we offer is that in the event of a default or failure, the co-op will be able to sell the property and repay investors in all but the worst case scenario.

Loanstock is issued for a set period of time. We will negotiate the terms with you, the investor, upon application.

Benefits of investing in us

Investing in housing co-operatives is an ethical investment, your money will be used to provide affordable housing to people in need. We are a fully mutual housing co-operative i.e. we have a non-distribution clause, no-one can personally benefit/profit from the co-op. This means that the property will always stay in collective ownership. And no one person can sell it for personal gain. Being a fully mutual co-op, helps us to protect our principals. We believe houses are for living in. . This project is a way of removing property from the speculative market, that created the conditions for the housing crisis we experience today. If you invest in us, you are helping to create social change, it is a worthy place to store your money. Housing co-operatives have a very high success rate.

We will make a contract with you that will specify the time period for the loanstock along with an agreed interest rate that suits both us and you.

The minimum investment of loanstock is £100. This loanstock offer of £170,000 will be issued from 1. November 2019 to 1.May 2020.

Loanstock FAQs

Why is the loanstock unsecured? Does that mean I won't get my money back?

In short, no it doesn't mean that. 'Unsecured' means that the co-operative does not offer investors any collateral against the loan. However, in the unlikely event that things do go wrong and the co-operative fails or defaults, it is very likely that the property would be sold in order to repay investors. This is an extremely rare occurrence among co-operatives and as a model, they have an excellent track record.

Does loanstock give me a vote?

No, you need to be a member of the co-op to have a say in what we do. We work with fully mutual consensus decision making process in Bruadair, so members of the co-op choose how they want to live in accordance with our primary and secondary rules which you can view here:

<https://bruadair.coop.scot/our-vision/primary-and-secondary-rules/>

Why not go to a bank for the loan?

One of the advantages of loanstock is that it cuts out intermediary services and their cost, so the full amount goes into the co-op.

In addition to loanstock we will also be taking a long term loan or a mortgage that will cover 70% of the money needed for us to buy the property we want.

What will my money be used for?

The first priority for us is to secure the property. Money that exceeds this will be used to make any necessary renovations when we move in. You can get a much more detailed idea of how we plan to use and pay back investments from our business plan on page 10.

When do I get my money back?

Investments will generally be returned with interest at the end of the term you initially choose. We will consider all requests for early withdrawal of an investment and may return the invested money with interest accumulated thus far if it is financially viable for the co-operative. There is no guarantee, however, that we will be able to fulfill these requests so when you fill out your application form you should consider carefully when you think you will need your investment repaid.

Do I get interest? When will it be paid?

Yes, if you want. On the application form you can choose how much interest you would like to receive. Prior to securing a property your loanstock will be kept in a deposit account with Triodos bank (which is protected under the FSCS scheme) and we will be able to offer you upto Triodos's rate of interest (currently 1.5%), after we have bought the property we will be able to offer an interest rate of up to 3%. When we receive your application we may get in touch with you to negotiate the terms of repayment based on the interest you ask for.

Interest will be paid on the 31st December each year in the form of loanstock. This means that, unless you successfully apply to withdraw your investment early, you will not receive the interest in cash until the end of the agreed term. You will, instead, receive certificates of your new loanstock every year. We will also keep copies of your certificates for our own records.

What about other projects you want to do on your land?

Once we have secured a property we will see how much maintenance we will need to make to it. If a lot of renovation is required we will issue another loanstock for this purpose, along with building other structures on the land if needed.

Can I make a donation instead?

Yes you can. If you are not interested in investing at this time, you are welcome to contact us and make a donation. For more information, please visit our website under *Support Us*. Also, you should remember that this pack does not constitute financial advice, and if you are unsure you may want to consider asking an independent financial advisor.

I really want to invest. What do I do now?

The first thing you do is fill out the Loanstock application form found with this pack or on our website under *Support Us*. You can email us the form to hello@bruadair.coop.scot or send it to: Bruadair Housing Co-operative Ltd.

73 Reed Drive, Newtongrange, EH22 4SP

Once we have received your application, we will get in touch to finalise the agreement and organise payment.

When do I get my loanstock certificate?

As soon as we make the agreement and the money is in our bank we will issue you with your very own Loanstock Investment Certificate.

Business Plan

This spreadsheet was developed by Radical Routes and has been used by numerous housing co-operatives to test and model different business plans. For this plan we've used a property in the Midlothian area. We've predicted a £60,000 loan from Radical Routes with 6% interest and a £385,000 mortgage at 4.5%. We've modelled for £170,000 of loanstock investment from this campaign with interest rates varying from 0-3% and terms varying 3-20 years. In this prediction we will need to refinance a few times in the next 40 years with new issues of loanstock as the current issues are repaid.

In some aspects of the business plan we've "planned for the worst", so that we'll have room in our finances to deal with large unexpected expenses, e.g. on top of our maintenance budget in the 40 year breakdown, you'll see that we've allowed for £10,000 of "extraordinary maintenance" after 10 years. You'll also notice a row under "money out" called "voids", which is money we've taken off the rent income for empty rooms. Considering our location and current demand for accommodation, we feel it's very unlikely that we'll lose so much income from this.

Overall, it is very likely that we'll be in a better financial position than the plan indicates, but planning for the worst when setting rents and choosing a property ensures that we won't be in trouble if something unexpected or out of our control happens to the house. We have decided not to add any fundraising efforts or other income with our activities to account for this.

In effort to keep this project going after the 40 year plan, we do predict we will need to re-mortgage at this time, with a 25 year mortgage at an 8% interest rate.

Ongoing and Day 1 Income and Expenditure

ONGOING INCOMES

NEW rental income

House postcode					
LHA	£70.32				
	Rent per week (£)	# of rooms	Yearly	Monthly	Weekly
Rent level 1	£70.32	11	£40,377.74	£3,364.81	£773.52
Rent level 2			£0.00	£0.00	£0.00
Rent level 3			£0.00	£0.00	£0.00
Rent level 4			£0.00	£0.00	£0.00
Total # rent incomes >>		11			
Total new rental income per period >>			£40,377.74	£3,364.81	£773.52

Other income

Description	Yearly	Monthly	Weekly
		£0.00	£0.00
		£0.00	£0.00
		£0.00	£0.00
Total other income per period >>		£0.00	£0.00
TOTAL IN per period >>		£40,377.74	£3,364.81

ONGOING EXPENDITURES

NEW house expenses

			Yearly	Monthly	Weekly
1 rooms unoccupied for 9.24 mo	Void	7.00%	£2,826.44	£235.54	£54.15
	House insurance	Estimated	£1,000.00	£83.33	£19.16
	Maintenance	Estimated	£2,000.00	£166.67	£38.31
	Council Tax	Estimated	£3,000.00	£250.00	£57.47
House expenses per period >>			£8,826.44	£735.54	£169.09

Admin expenses

			Yearly	Monthly	Weekly
	FCA fees	Estimated		£0.00	£0.00
	RR service payments	Estimated	£594.00	£49.50	£11.38
	Accountant	Estimated	£200.00	£16.67	£3.83
Admin expenses per period >>			£794.00	£66.17	£15.21

Other expenses

Description	Yearly	Monthly	Weekly
		£0.00	£0.00
		£0.00	£0.00
		£0.00	£0.00
Other expenses per period >>		£0.00	£0.00

NEW Loans

			Yearly	Monthly	Weekly
	New mortgage		£20,769.80	£1,730.82	£397.89
	New RR loan		£3,633.75	£302.81	£69.61
	FALSE		£0.00	£0.00	£0.00
	FALSE		£0.00	£0.00	£0.00
Loan repayments per period >>			£24,403.55	£2,033.63	£467.50
TOTAL OUT per period >>			£34,024.00	£2,835.33	£651.80

ONGOING SURPLUS

	Yearly	Monthly	Weekly
Ongoing surplus >>	£6,353.75	£529.48	£121.72
Money to be set aside for loan stock	£30,680.88	£2,556.74	£587.76
Ongoing surplus including loan stock repayments >>	-£24,327.13	-£2,027.26	-£466.04

DAY 1 INCOME

	Amount (£)
New mortgage type loans	£445,000.00
New loan stock	£166,000.00
Cash in the bank	£500.00
Other (e.g. fund-raising)	
Total day 1 incomes >>	£611,500.00

DAY 1 EXPENDITURES

Property purchase costs:	Amount (£)
Purchase price of new property	Estimated £550,000.00
Stamp duty land tax (SDLT)	Scotland £50,350.00
Total Day 1 costs for property purchase >>	£600,350.00

Start-up costs:

Legal fees (including legal charge)	Estimated	£3,000.00
Survey	Estimated	£1,500.00
Mortgage fees	Estimated	£2,887.50
RR Loan fees	Estimated	£350.00
Other Loan fees	Estimated	
Day 1 work	Estimated	£1,000.00
Initial purchases	Estimated	£1,000.00
Moving costs	Estimated	£500.00
Total Day 1 start-up cost >>	£10,237.50	

Other purchases:

Description	Cost (£)
	Estimated
	Estimated
	Estimated
Total other purchases >>	£0.00
Total day 1 costs >>	£610,587.50

DAY 1 SURPLUS

Day 1 surplus >>	£912.50
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DAY 1 NET-WORTH

Assets	
Day surplus	£912.50
Total property assets	£550,000.00
Other assets	
Total assets >>	£550,912.50
Liabilities	
Outstanding mortgage type loan	£445,000.00
Outstanding loan stock + interest	£192,601.63
Other liabilities	
Total liabilities >>	£637,601.63
Day 1 net-worth >>	-£86,689.13

GUARANTORS

Outstanding mortgage type loan / property assets	80.91%
Guarantors needed?	YES
Amount to guarantee	FALSE

Year 1 Breakdown

	MONTH	1	2	3	4	5	6	7	8	9	10	11	12	Total
MONEY IN														
Day 1 income														
New mortgage type loans														£445,000.00
New loan stock														£166,000.00
Cash in the bank														£500.00
Other (e.g. fund-raising)														£0.00
New property														
Rent level 1	11	£3,364.81	11	£3,364.81	11	£3,364.81	11	£3,364.81	11	£3,364.81	11	£3,364.81	11	£3,364.81
Rent level 2														
Rent level 3														
Rent level 4														
Total rent		£3,364.81	£3,364.81	£3,364.81	£3,364.81	£3,364.81	£3,364.81	£3,364.81	£3,364.81	£3,364.81	£3,364.81	£3,364.81	£3,364.81	£40,377.74
Other														
TOTAL IN		£614,864.8	£3,364.81	£3,364.81	£3,364.81	£651,877.74								
MONEY OUT														
Day 1 cost														
Property purchase		£600,350.00												£600,350.00
Start-up cost		£10,237.50												£10,237.50
Other purchase														
House expenses		£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£1,000.00
House insurance														
Maintenance														
Council Tax		£250.00												£3,000.00
Admin expenses		£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£1,000.00
FCA fees														
RR service payments														
Accountant														
Other														
Mortgage repayments		£2,033.63												£24,403.55
Loanstock repayments														£10,200.00
TOTAL OUT		£612,954.41	£2,366.96	£2,515.46	£2,366.96	£2,366.96	£2,715.46	£2,366.96	£2,366.96	£2,515.46	£2,366.96	£2,366.96	£12,715.46	£649,985.05
SURPLUS		£1,910.35	£997.85	£849.35	£997.85	£997.85	£649.35	£997.85	£997.85	£849.35	£997.85	£997.85	-£9,350.65	£1,892.69
BALANCE		£1,910.35	£2,908.20	£3,757.55	£4,755.40	£5,753.25	£6,402.59	£7,400.44	£8,398.29	£9,247.64	£10,245.49	£11,243.34	£1,892.69	

40 Year Breakdown : Year 1-10

Guarantors needed?	YES	FALSE
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Variables

Rate of inflation	3.00%
Bank account interest rate	

Loan interest rates

Mortgage interest rate change		0.34%	0.34%	0.34%	0.34%	0.34%	0.34%	0.34%	0.34%	0.28%
Average mortgage rate on existing loans		0.34%	0.68%	1.02%	1.36%	1.70%	2.04%	2.38%	2.72%	3.00%
Average mortgage rate on new loans	4.50%	4.84%	5.18%	5.52%	5.86%	6.20%	6.54%	6.88%	7.22%	7.50%
RR interest rate change						1.00%				
Average RR rate for new loans	5.00%	5.00%	5.00%	5.00%	5.00%	6.00%	6.00%	6.00%	6.00%	6.00%

Housing

Void changes										
Void this year	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Rent increase		£1.05	£1.07	£1.09	£1.10	£1.12	£1.14	£1.15	£1.17	£1.19
Average rent this year	£70.32	£71.37	£72.45	£73.53	£74.64	£75.75	£76.89	£78.04	£79.21	£80.40

YEAR	1	2	3	4	5	6	7	8	9	10
MONEY IN										
Cash in bank	£500.00									
Mortgage type loans	£445,000.00									
Loanstock in	£166,000.00				£8,000.00			£29,000.00		£74,000.00
Rental income	£40,377.74	£40,983.41	£41,598.16	£42,222.13	£42,855.47	£43,498.30	£44,150.77	£44,813.03	£45,485.23	£46,167.51
Other ongoing income										
Bank interest										
Any other money in										
TOTAL IN	£651,877.74	£40,983.41	£41,598.16	£42,222.13	£50,855.47	£43,498.30	£44,150.77	£73,813.03	£45,485.23	£120,167.51

YEAR	1	2	3	4	5	6	7	8	9	10
MONEY OUT										
Property purchase	£600,350.00									
Start-up cost	£10,237.50									
Other purchase										
House expenses										
Void		£2,868.84	£2,911.87	£2,955.55	£2,999.88	£3,044.88	£3,090.55	£3,136.91	£3,183.97	£3,231.73
Extraordinary maintenance										£10,000.00
House insurance	£1,000.00	£1,030.00	£1,060.90	£1,092.73	£1,125.51	£1,159.27	£1,194.05	£1,229.87	£1,266.77	£1,304.77
Maintenance		£2,060.00	£2,121.80	£2,185.45	£2,251.02	£2,318.55	£2,388.10	£2,459.75	£2,533.54	£2,609.55
Council Tax	£3,000.00	£3,090.00	£3,182.70	£3,278.18	£3,376.53	£3,477.82	£3,582.16	£3,689.62	£3,800.31	£3,914.32
Admin expenses										
FCA fees										
RR service payments	£594.00	£611.82	£630.17	£649.08	£668.55	£688.61	£709.27	£730.55	£752.46	£775.04
Accountant	£200.00	£206.00	£212.18	£218.55	£225.10	£231.85	£238.81	£245.97	£253.35	£260.95
Other ongoing expenses										
Any other money out										
Yearly mortgage loan repayment	£24,403.55	£25,407.37	£26,414.86	£27,424.76	£28,435.86	£29,871.66	£30,881.83	£31,889.94	£32,895.00	£33,718.45
Early capital repayment										
Loanstock repayment										
From existing										
From Day 1	£10,200.00				£27,602.02			£35,149.78		£65,474.86
From refinancing										
TOTAL OUT	£649,985.05	£35,274.02	£36,534.48	£37,804.29	£66,684.47	£40,792.65	£42,084.77	£78,532.40	£44,685.41	£121,289.66
CASH SURPLUS	£1,892.69	£5,709.39	£5,063.68	£4,417.84	-£15,829.01	£2,705.65	£2,066.00	-£4,719.37	£799.82	-£1,122.15
BANK BALANCE (Year end)	£1,892.69	£7,602.08	£12,665.75	£17,083.59	£1,254.59	£3,960.24	£6,026.24	£1,306.87	£2,106.70	£984.54

EQUITY

Fixed assets	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00
Liabilities mortgage type loans	£440,834.77	£436,768.87	£432,779.80	£428,846.36	£424,948.44	£421,206.24	£417,461.29	£413,694.62	£409,887.31	£405,983.37
Liabilities loanstock	£158,420.00	£160,888.40	£163,406.17	£165,974.29	£149,150.19	£151,596.36	£154,097.98	£151,080.96	£154,177.61	£167,357.82
NET-WORTH (Year end)	-£47,362.08	-£40,555.20	-£33,520.21	-£27,737.06	-£22,844.05	-£18,842.37	-£15,533.03	-£13,468.71	-£11,958.22	-£22,356.64

40 Year Breakdown : Year 31-40

3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%

7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
£1.62	£1.65	£1.67	£1.70	£1.72	£1.75	£1.78	£1.80	£1.83	£1.86
£109.92	£111.56	£113.24	£114.94	£116.66	£118.41	£120.19	£121.99	£123.82	£125.68

31	32	33	34	35	36	37	38	39	40	TOTAL
										£500.00
									£240,000.00	£685,000.00
	£45,000.00									£592,000.00
£63,113.65	£64,060.36	£65,021.26	£65,996.58	£66,986.53	£67,991.33	£69,011.20	£70,046.37	£71,097.06	£72,163.52	£2,191,215.1

£63,113.65	£109,060.36	£65,021.26	£65,996.58	£66,986.53	£67,991.33	£69,011.20	£70,046.37	£71,097.06	£312,163.52	£3,468,715.1
31	32	33	34	35	36	37	38	39	40	TOTAL
										£600,350.00
										£10,237.50

£4,417.96	£4,484.23	£4,551.49	£4,619.76	£4,689.06	£4,759.39	£4,830.78	£4,903.25	£4,976.79	£5,051.45	£150,558.62
									£10,000.00	£40,000.00
£2,427.26	£2,500.08	£2,575.08	£2,652.34	£2,731.91	£2,813.86	£2,898.28	£2,985.23	£3,074.78	£3,167.03	£75,401.26
£4,854.52	£5,000.16	£5,150.17	£5,304.67	£5,463.81	£5,627.72	£5,796.56	£5,970.45	£6,149.57	£6,334.05	£148,802.52
£7,281.79	£7,500.24	£7,725.25	£7,957.01	£8,195.72	£8,441.59	£8,694.83	£8,955.68	£9,224.35	£9,501.08	£226,203.78

£1,441.79	£1,485.05	£1,529.60	£1,575.49	£1,622.75	£1,671.43	£1,721.58	£1,773.22	£1,826.42	£1,881.21	£44,788.35
£485.45	£500.02	£515.02	£530.47	£546.38	£562.77	£579.66	£597.05	£614.96	£633.41	£15,080.25

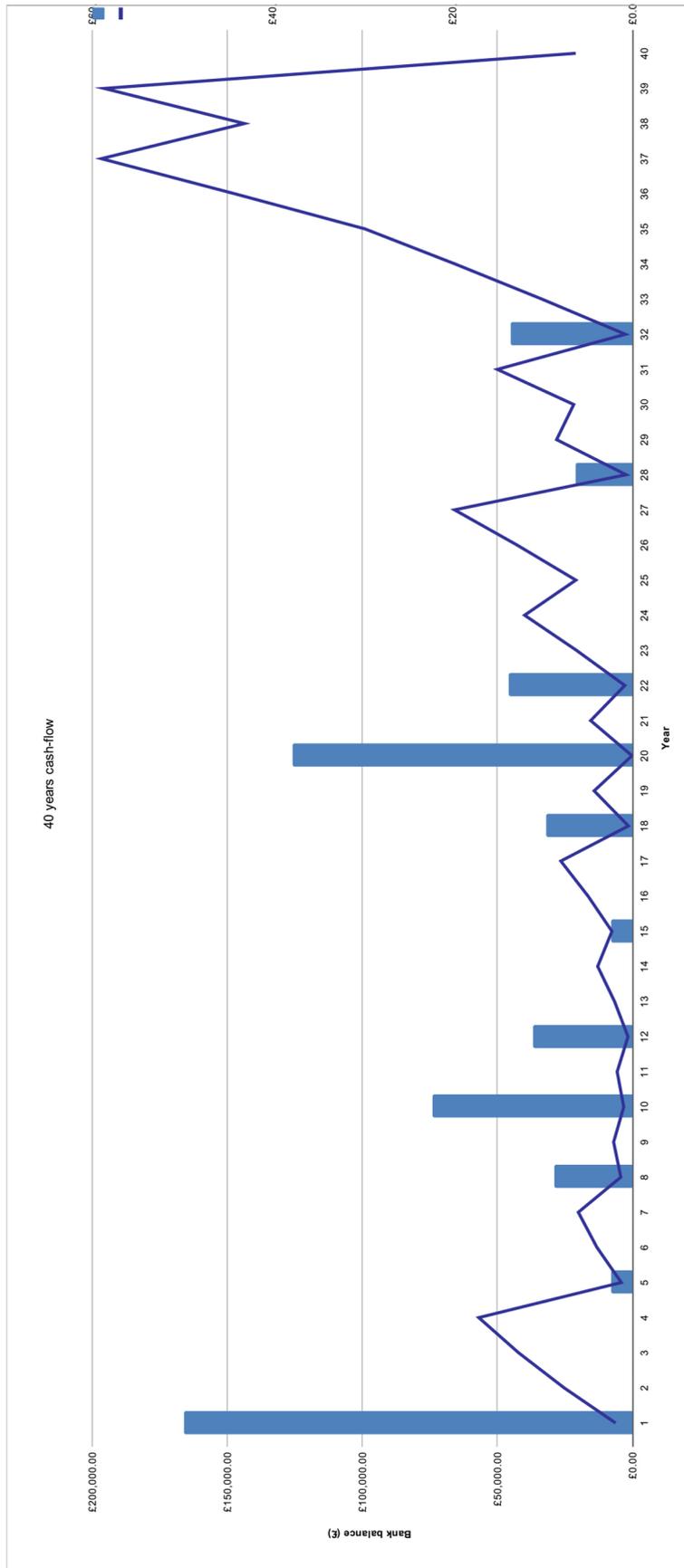
£33,718.45	£33,718.45	£33,718.45	£33,718.45	£33,718.45	£29,660.08	£29,660.08	£29,660.08	£29,660.08	£51,888.39	£1,304,833.1
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										£192,601.63
	£68,091.24						£31,085.13		£276,081.52	£653,543.81

£54,627.22	£123,279.45	£55,765.05	£56,358.17	£56,968.07	£53,536.86	£54,181.77	£85,930.09	£55,526.96	£364,538.13	£3,462,400.8
31	32	33	34	35	36	37	38	39	40	TOTAL
£8,486.43	£14,219.10	£9,256.22	£9,638.41	£10,018.46	£14,454.47	£14,829.43	£15,883.72	£15,570.11	£52,374.61	£6,314.28
£15,024.61	£805.51	£10,061.73	£19,700.14	£29,718.60	£44,173.08	£59,002.51	£43,118.79	£58,688.89	£6,314.28	

£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00	£550,000.00
£208,089.93	£189,141.69	£168,774.85	£146,882.49	£123,349.63	£102,224.39	£79,459.14	£54,926.57	£28,489.48	£236,858.15	
£288,671.50	£276,669.83	£287,736.62	£299,246.09	£311,215.93	£323,664.57	£336,611.15	£318,374.86	£331,109.86	£62,805.24	
£68,263.18	£84,993.99	£103,550.26	£123,571.56	£145,153.05	£168,284.12	£192,932.21	£219,817.35	£249,089.56	£256,650.89	

40 Year Breakdown : Cash Flow Prediction



Bruadair Housing Co-operative Ltd

Loanstock Application Form

Issue of £170,000 Unsecured Loan Stock (individual scheme)



I/We

(Full name in BLOCK CAPITALS)

of

(Full address in BLOCK CAPITALS)

wish to apply for _____ pounds of loanstock from Bruadair Housing Co-operative Ltd. at the following rate of interest (0%-3%) _____.

[Loanstock is issued in units of £10, minimum subscription £100].

I/We have read and accept the Conditions overleaf.

Signatures(s)

Date

Email address

Please send the form to:

Bruadair Housing Co-operative Ltd
73 Reed Drive, Newtongrange, EH22 4SP, Scotland

Offer opens 1.November 2019 and closes 1.May 2020.

Bruadair Housing Co-operative Limited is incorporated under the Industrial and Provident Societies Acts 1965 to 1978.

Registry Number 4380,
Registered Office: 73 Reed Drive, Newtongrange, EH22 4SP, Scotland

Once this application has been received, we will be in contact with the form of payment.

Terms and conditions

1. Interest

Interest shall be paid on the Loan Stock at the annual rate specified overleaf.

2. Payment of interest

The interest shall be calculated on 31. December of each year. Interest shall be credited to each lender by the allotment of further Loan Stock provided that no amount less than £1.00 shall be credited by way of Loan Stock and in any such event the amount of any interest not credited as further Loan Stock shall stand as a debt of any Housing Co-operative Ltd to the Lender and be added to further interest payments. In the case of Loan Stock repaid in full as described in 3(2) below, outstanding interest to the date of repayment shall be added to the principal amount outstanding.

3. Repayment of Loan Stock

(1) The Loan Stock shall be repaid in full on date agreed by both parties.

(2) Any housing co-operative Ltd. may at its discretion, accept applications for early repayment of Loan Stock subject to the following conditions:

(a) a written notice stating the amount requested to be repaid should be sent to the Secretary of the co-op together with the Loan Stock Certificate

(b) repayment of loanstock will normally be made within the following periods of time after proper notice has been received

up to £100 – one week	£101 to £300 – two weeks	£301 to £500 – four weeks
£501 to £1000 – two months	£1001 to £3000 – three months	over £3000 – four months

(c) Bruadair Housing Co-operative Ltd shall always give priority to applications from persons who are not members of Bruadair Housing Co-operative Ltd in repaying Loan Stock.

(3) Where only part of the amount outstanding under a Loan Stock Certificate is being repaid, Bruadair Housing Co-operative Ltd shall issue to the Lender a new Loan Stock Certificate in respect of the principal amount outstanding to the Lender.

4. Repayment on Default

Braudair Housing Co-operative Ltd shall repay the Loan Stock in full immediately, if Bruadair Housing Co-operative Ltd:

(a) is in breach of these Conditions; or

(b) is overdue on any payment by 21 days or more; or

(c) passes a resolution for winding up or goes into liquidation or has an administrative receiver appointed over any of its assets or has an administration order made against it or an effective instrument of dissolution is made by the members of Bruadair Housing Co-operative Ltd.

5. General

(1) These Conditions shall not give the Lender any rights to attend meetings or participate in any way in the management of Bruadair Housing Co-operative Ltd, other than those they would have as a member or director of Bruadair Housing Co-operative Ltd. if they have such status.

(2) Loan Stock may be transferred by the Lender with the consent of Bruadair Housing Co-operative Ltd.