

Charity  
bank

# Broker Guide



# About Charity Bank

**Charity Bank is the loans and savings bank for people who want to make the world a better place.**

Our vision is for a society that fosters vibrant communities and a healthy planet, giving every individual the opportunity to thrive. Charity Bank is 'of the sector and for the sector', 100% owned by charities and social purpose investors and dedicated to supporting UK charities and social enterprises.

We use our savers' money to make much needed loans to enterprising organisations working to create lasting social change in communities across the UK. Since 2002, we have used the money saved with us to provide over £630 million of loan finance to a wide range of organisations across the arts, community, education, environment, faith, health, housing, regeneration, social care and sports sectors.

Our loans are used for a wide range of purposes, from providing accommodation for vulnerable refugees to action sports centres for young people looking for a safe place to skate to residential and respite care centres for those with profound disabilities.

Our co-workers are inspired by the organisations that we support and highly motivated to better equip these charities and social enterprises to help the disadvantaged, enrich lives and make our communities better places to live.

**“Charity Bank is not your average bank, we’re a community of people working to bring about positive social change. We’re here to align financial resources with values and a commitment to social progress.”**

Ed Siegel, CEO, Charity Bank



## Homeless Action Resource Project

“We wanted a social lender, who would see the bigger picture rather than just the bricks and mortar. Charity Bank were very positive, engaging and helpful. Our sector would be lost without this type of funding.”

Nick Bowling, Director of Property  
Development at HARP

# Loans Charity Bank are looking for:

## We lend to

1. Charities and organisations with a recognised social model and purpose, including Registered Providers of Social Housing.

2. Impact Led Private businesses operating in the following sectors:



- **Housing Sector:** Focus on providing high-quality affordable social housing.



- **Health and Social Care:** Including supported living, adults with disabilities, and elderly care.



- **Children's Care:** Investment in children's residential care homes, large foster homes, and related services.



- **Environmental Initiatives:** Projects related to climate change mitigation, such as retrofitting buildings to reduce carbon emissions and biodiversity net gain projects.

Please note we do not lend to individuals, even for a social purpose.

## Social Impact Requirements

- **High Social Impact:** Organisations must demonstrate social impact beyond affordable housing alone.
- **Client-Centric Focus:** Prioritising organisations that focus on high-quality delivery and regulation, not just profit.

## Example Impact Led Private Business Case Studies

<b>Emergency Accommodation Provider</b>	<p><b>Primary Activity:</b> Providing emergency accommodation for homeless families.</p> <p><b>Social Impact:</b> Owns and manages 400 homeless units, often for families, filled through local authority partnerships. Helps support lower rates of violent crime, anti-social behavior, and sexual offenses.</p>
<b>Supported Living Provider</b>	<p><b>Primary Activity:</b> Providing supported living care and accommodation for adults with physical and learning disabilities.</p> <p><b>Social Impact:</b> Manages 40 supported living units with significant additional care.</p>
<b>Child Care Provider</b>	<p><b>Primary Activity:</b> Blended finance provision alongside a new children's care social investment vehicle.</p> <p><b>Social Impact:</b> Focus on children's residential care homes, large foster homes, and related services, leveraging Department for Education grants alongside social investment and local authority funding.</p>
<b>Environmental Provider</b>	<p><b>Primary Activity:</b> Providing retrofit funding to registered provider.</p> <p><b>Social Impact:</b> Projects include the restoration and creation of habitats such as native wildflower meadows, woodland, and hedgerows.</p>

# Key lending criteria

Supporting UK based organisations with social purpose

## Loan size

- £250,000 to £7.5 million (Residential)
- £250,000 to £5 million (Commercial)

## Loan to Value

- Max 65% Commercial / Max 70% Residential
- Development (non-speculative) - 65% Commercial / 70% Residential

## Assessed Terms

- 10 yr committed and < 30 yr repayment profile on assessed terms
- Registered Social Landlord (RSL) up to 25 years committed or ~ 30 yr profile (10 yrs committed)
- Interest only available < 36 months
- Current debt service cover for trading entities is 110% earnings before interest, taxes, depreciation, and amortization
- Organisations must be able to demonstrate high social impact/ additionality (i.e. beyond affordable housing alone)

## Rates

- Typically 2.99% Above Bank of England Base Rate (ABR) (Commercial), ~ Typically 2.75% ABR (Residential), Typically 1.3-1.5% ABR (RSL)
- Typically 1% risk premium applied to development loans until Practical Completion (then reverts to Variable Rate)

## Fees

- Typically 1.5%~2% standard Arrangement Fee (unless Speculative Development 1% + 1% on exit)
- Non utilisation (Excluding Development Finance transactions)- 50% per annum of variable margin (charged quarterly)
- Remuneration: Please note any payments made will be disclosed to borrowers

## Typical loan purpose

- Refinancing
- Property purchases
- 'Rent to mortgage'
- Development finance
- Property refurbishments
- Property extensions
- Energy efficiency improvements
- Cashflow

## Required information

We require the following information in order to ascertain whether we can take matters further:

- Legal structure of borrower
- Purpose and amount of loan required
- Last three years audited / independently examined accounts
- Up to date management accounts (if available)

# Meet our Lending Team

Our experienced team of regional managers will work with you throughout the loan process.



# Specialist support

Since 2002, we have used our savers' money to make more than 1,460 loans totalling over £630m to housing, education, social care, community and other social purpose organisations.

We lend to a range of sectors, focusing on creating positive social impact. Here are some of the key sectors we support:



Arts



Community



Education



Environment



Development Projects



Faith



Health & Care



Social Housing



Sports



Green Initiatives





# Charity bank

## Get in touch

We are now open to applications from brokers and other intermediaries that are members of the NACFB, FIBA or the ICEAW as well as those who are FCA regulated.

If you are interested in working with Charity Bank and are a member of any of the above organisations, we would love to hear from you.

To discuss a potential opportunity with us, please contact us via email.

**Email:** [brokers@charitybank.org](mailto:brokers@charitybank.org)

**Website:** [charitybank.org](http://charitybank.org)

## Registered Office:

The Charity Bank Limited, Fosse House,  
182 High Street, Tonbridge, TN9 1BE.  
Company registered in England and  
Wales No. 4330018. Authorised by the  
Prudential Regulation Authority and  
regulated by the Financial Conduct  
Authority and the Prudential Regulation  
Authority. Financial Services Register  
No.207701. Member of the Financial  
Services Compensation Scheme (FSCS).

Your bank for good.