Ecology Building Society

Lending for the Development of Sustainable Homes

Ecology specialises in supporting properties and projects that promote sustainable properties, communities and lifestyles.

Commercial lending for sustainable homes

Ecology specialises in lending for properties and projects that minimise environmental impact or which help promote sustainable communities and lifestyles. We play an active role in the green building community and promote the development of ecological building standards as well as encouraging the use of both traditional and pioneering materials and design.

The availability of mortgages to buyers, particularly for innovative and non-conventional construction methods can also be a concern for developers. We are keen to encourage the creation of sustainable new homes.

We also offer our Eco Homes Mortgage for purchasers, designed to reward those choosing energy-efficient properties. Homebuyers can benefit from a unique full-term discount when buying a home with a high EPC rating, helping reduce both carbon impact and borrowing costs. Find out more about our Eco Homes Mortgage here.

Who and what do we support?

We specialise in mortgages for the creation of new energy efficient and sustainable homes and we support the renovation of poor quality, derelict and empty properties:

- While there are no fixed or rigid definitions of what constitutes an eco home, we do require an appreciable standard of energy efficiency for all the projects we support
- New homes must be built to a minimum EPC A and above for us to consider lending
- We particularly encourage developments that adopt Passivhaus standards
- Developers undertaking renovations and conversions must also demonstrate that use of sustainable materials and carbon-reducing measures are central to the project

Small-scale development finance

Our small-scale development mortgages are available to residential property developers embarking on new projects, which may involve building, renovating or converting a number of properties for sale. These are short-term mortgages and are open to applications from individuals, partnerships, limited companies and community groups.

You should be able to provide:

- A breakdown of costs for your project, including a 15% contingency
- A supporting project cash flow forecast including projected draw downs that demonstrate how and when mortgage funds will be drawn and utilised
- Evidence that sufficient capital and equity is available to meet interest payments and contingencies as well as meeting our loan-to-value criteria
- Designs, specifications of materials and a schedule of the ecological and energy efficient measures planned
- Full detailed planning permission

Key features

- Development finance is available for a period of up to two years
- We expect the mortgage capital to be fully redeemed via the sale of your completed properties or by way of conversion to our Commercial Buy-to-let mortgage subject to meeting our criteria
- Interest payments are required during the project and are payable monthly in arrears
- Stage release payments are available, from the point of plot purchase if planning consents are in place, provided that your project can be maintained within our maximum loan-to-value terms (see our Current commercial rates and charges leaflet)
- We do not impose a limit on the number of dwellings, although we do have a maximum published advance (see our Current commercial rates and charges leaflet)
- Minimum loan size is £250,000

We do not lend for:

- The creation of single high-value “luxury” homes for speculative sale
- Properties intended to be sold or leased as holiday homes

This product is not regulated by the Financial Conduct Authority.

For details of our current terms please refer to our Current commercial rates and charges leaflet.

Commercial buy-to-let mortgages

Who do we support?

- We provide long term mortgages for developers that have built or renovated properties in a sustainable manner for letting over the longer term
- Commercial buy-to-let mortgages are available to individuals, partnerships, limited companies and community groups
- We can provide mortgages to commercial entities for residential and semi commercial properties with an EPC of C or better.
- We can fund the purchase, remortgage or renovation of properties, individually or as a portfolio.
- Minimum loan size of £250,000
- Maximum loan to value of 70%

Key features

- The amount that you can borrow is assessed against the anticipated rental income generated by the property. This should be at least 35% more than the monthly mortgage payment.
- Commercial buy-to-let mortgages are available as Interest only for terms of between 2 and 25 years or capital and repayments between 2 and 30 years
- We do not impose a limit on the number of dwellings, although we do have a maximum advance (see our Current commercial rates and charges leaflet).

For details of our current terms please refer to our Current commercial rates and charges leaflet.

This product is not regulated by the Financial Conduct Authority.

Get in touch

Because we take an individual approach to every mortgage, we like to discuss your project with you before you make a formal application, to make sure it fits our criteria and to answer any questions you have.

You can contact our Commerical and Community Lending Team on **01535 650 770**, or you can email us at **commbiz@ecology.co.uk** or write to the Society.

When you get in touch with us, it's helpful if you can provide us with some basic information about your project:

- what you want to do (especially the environmental aspects of your project)
- how much you'll need to borrow
- how you intend to finance it

Ecology Building Society was rated as an ethical Best Buy for our mortgages, ISAs and savings accounts by Ethical Consumer magazine in its product guide rankings.

Rated 4.9/5 on Smart money people

Rated 'Excellent' on Trustpilot

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