



## APPENDIX 2

John Hill

Chief Executive, East Cambridgeshire District Council

7<sup>th</sup> April 2021

Dear Mr Hill,

East Cambs CLT is a not-for-profit Community Benefit Society, run entirely by volunteers. The Trust was established in November 2017 as an umbrella Community Land Trust (CLT) for the whole of East Cambridgeshire, working to improve the amount of affordable housing in the district. We aim to work with communities who are interested in community led housing but do not have the desire to establish their own CLT. We manage the land and property to the benefit of the local community. This way communities can influence and have a say over their development and provide much needed affordable housing for local people.

In 2018 we delivered our first homes at King's Row in Barton Road. One was sold on a shared ownership basis, the other retained for long term affordable rent and both are occupied by local residents.

Our next project is to provide 15 affordable shared ownership homes at the former MoD housing estate, adjacent to the Princess of Wales Hospital in Ely, comprising seven 3 bed houses and eight 2 bed apartments. We have secured lending of £920,000, based on 80% of the valuation of £1,150,000 from Ecology Building Society.

To successfully deliver these essential affordable homes we are applying to East Cambridgeshire District Council (ECDC) for a 7-year loan of up to £390,000 with interest to be charged at the same rate as Ecology Building Society (3.75% pa) to complete our purchase of these properties. Both loans (Ecology and ECDC) would be secured by a legal charge on the freehold for the 15 homes on a pari-passu (equal first) basis. Ecology's advisers have examined the financial model and consider the projections to be prudent and viable; we attach the detailed financial model for your information and consideration.

The eight 3 bed homes are ready for occupation and the refurbishment of the apartments will shortly be completed. The homes are in a popular residential location, close to central amenities and benefit from Ely's road and rail connections between Cambridge and London. By successfully securing this additional lending from ECDC we will be able to provide another opportunity for more affordable shared ownership homes for those who live and work locally.

We hope that ECDC will be able to support this loan request and the delivery of these much-needed affordable homes to the benefit of residents.

Yours sincerely

*Lisa Stubbs*

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Chair, ECCLT