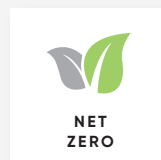




SFT CORPORATE PRIORITIES



NET
ZERO



SUSTAINABLE
PLACE



INCLUSIVE
GROWTH

SFT Outcomes

Demonstrating progress with impact

PRIMARY OUTCOME

SECONDARY OUTCOMES



INFRASTRUCTURE INVESTMENT IS AFFORDABLE WITH INCREASED FINANCING INNOVATION

Financial solution ensures homes remain for affordable rent



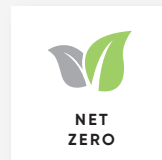
It was in 2011 when SFT launched the National Housing Trust (NHT) programme to support Scotland's local authorities increase the supply of mid-market rent homes to meet rapidly growing demand.

The premise behind the NHT programme was that housing developers would be appointed to build a specified number of homes for affordable rent on land they already owned. Once complete, a local company in the form of a limited liability partnership (an LLP) would be established comprising the developer, the participating local authority and SFT. The partnership would then buy the homes and let them to tenants at affordable rent for at least five and up to ten years, after which the properties would be sold.

Across Scotland a total of 1,731 NHT homes were built in 12 local authority areas across Scotland.



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PRIMARY OUTCOME

02



In advance of the five-year milestones, SFT works with Scottish Government and its partners in the LLPs with the goal of providing the best possible outcomes to tenants in the sale process. This manifests in devising innovative commercial solutions that would ensure the homes would not be sold on the open market, but instead remain for tenants to live in, paying affordable rent.

In making that happen, SFT provides commercial, legal and public sector expertise to prepare exit strategies that work for the developer, the local authority, other public sector stakeholders (including Scottish Government) and, most importantly, the tenants.

By the end of 2019/20 SFT had helped ensure over 270 NHT homes were retained for affordable rent. And over the past 12 months its work has guaranteed 573 more homes to be kept, taking the total number of homes retained for long-term affordable rent after exiting the NHT programme to 843.

The 2020/21 total was achieved through the following transactions:

- Broughty Ferry NHT LLP selling 15 units in Dundee to Hillcrest Homes (Scotland) Limited
- Coalsnaughton NHT LLP selling 40 units in Clackmannanshire to Kingdom Housing Association
- Caraille Green NHT LLP selling 36 units in Fife to Kingdom Housing Association
- Aberdeen NHT LLP selling 58 units in Aberdeen to a combination of Hillcrest Homes (Scotland) Limited and Grampian Housing Association
- Leith Links NHT LLP selling 145 units in Edinburgh to Hillcrest Homes (Scotland) Limited
- Restructure and refinance of four Highland NHT LLPs, led by Highland Housing Alliance, securing 161 homes across the Highlands for long term affordable rent with finance from the Scottish Government and Scottish Widows
- Completion of grant application and draw down from the Scottish Government to enable the restructure and refinance of two Stirling NHT LLPs, led by Stirling Council, to secure 118 units in Stirling for long term affordable rent

In helping reach this point, SFT recognises the work of its partners in the LLPs (developers and local authorities) in helping reach arrangements which worked for them and their tenants. SFT also recognises the work of Scottish Government and Scottish Ministers in their vital role in providing financial support to purchasers (both grant and finance) and providing policy support in securing positive outcomes for all the tenants.

Going forward, SFT shall continue to work with the remaining LLPs to secure the best outcomes possible for tenants living in NHT homes.