

23 // 01 // 15

## ***New pensions reforms open up ethical lending opportunities that could revolutionise affordable housing***

*New property initiative is launched to provide transparent, fixed retirement income through funding former disused let properties.*

From April 2015, UK pension rules are changing; anyone retiring after this date will be able to choose how they use their pension savings, which has opened up a new spectrum of financial opportunities for 'pre-tirees'.

### **Seven per cent return for supporting affordable housing projects.**

The Real Estate Annuity Plan (Reap) is a brand new property based financing arrangement where people approaching retirement, who are looking to make more from their pension savings, can lend their money to a mutual society which renovates derelict properties to bring them back into habitable use.

In return for supporting a programme that brings affordable homes to deprived areas, Lenders (Annuitants) will receive a fixed income at a rate above all of the current traditional insurance or pension based annuity plans.

Reap provides a no-fee, quick and easy way for Annuitants to secure a fixed income offering a flat interest rate of 7% p.a. on the money they lend to the programme; which has a £15,000 entry level and is repayable on 90 days notice after the initial five year period.

The social benefits of the programme comes by way of the money being used to fund much needed affordable housing within former derelict properties that have been renovated up to the Decent Homes Standard.

### **'Cutting through pension confusion with simplicity and ethics'**

Danny Mahon, Director at Equfund, the organisation behind the new scheme commented:

“The upcoming pension reforms will allow people to have much more control over their retirement pot enabling them to make smarter and more informed choices – however, much of the literature regarding the changes has been confusing to say the least.

Until now, retirees have had to leave their money with annuity providers who, as well as paying low rates of income during their lifetime then, when they die, they retain some or all of the money.

We believe that Reap offers a clear, transparent and ethical alternative for the millions of community minded people who want to do some good with their money; they will now be able to direct their funds to a socially responsible society that pays a fair rate of interest in return and gives all of their money back to them or their beneficiaries.”

### **New mass-market funding for ethical projects could revolutionise social housing.**

For over twelve years, the Eqfund organisation has specialised in acquiring long-term empty properties in low socio-economic regeneration areas, and renovating these to provide, decent, low-cost housing.

“The potential introduction of financial support by many retirees, rather than just from a relatively small group of ethically minded investors, is a tectonic shift” states Mr Mahon. “This isn’t just a small tweak to the system, it has the potential to revolutionise social housing within the UK.”

As part of the new programme, Reap annuitants will be invited to visit the properties they have funded and see how their money has been used first-hand.

--- ENDS ---

For more information on Reap, please visit: <http://www.myreap.co.uk>

For all media enquiries, images and interview requests, please contact:

Katie Bawler & Carolina Are  
0203 1379 9270  
[reap@manifest.london](mailto:reap@manifest.london)

### **About Reap**

**Reap is provided by The Eqfund Group which has had over fifteen years specialising in acquiring long-term empty properties and renovating them to beyond the Decent Homes Standard; once refurbished, the homes are let at an affordable rent to people in housing need.**

All Reap news can be found at our [Digital Newsroom](#)