

New crowd bond platform offering early-bird investors up to 6.75% p.a. tax-free returns

Amberside Capital and CH1 Investment Partners have joined forces to launch an innovative crowd bond platform, offering early-bird ISA investors 6.75% a year over four years.

The **Amberside Asset Lending Platform (ALP)** will invest in high-yielding private debt in infrastructure projects, examples of which include solar parks, grid support facilities and hydroponics projects.

David Scrivens, Director of Amberside Capital, said: “These pooled infrastructure debt opportunities are typically only available to institutional investors. We wanted to bring the same investment expertise to bear in finding and assessing opportunities, but then create a way to enable every-day investors to participate in the generous returns. We have structured the platform to enable the bonds to be held within a tax-efficient ISA, which is the icing on the cake.”

The bonds qualify for Innovative Finance ISA status because they are listed on a crowdfunding platform. It means interest is paid tax-free – outside an ISA wrapper an additional-rate taxpayer would have to generate as much as 12.27% per annum to receive an equivalent after-tax return.

The early-bird offer is scheduled to run to the end of June, but may end earlier, depending on demand. After this normal rates will apply. Interest can be accumulated or paid semi-annually. Unusually, there is a 3.5% one-month access opportunity too. The investment minimum is just £100.

| Annual rates going direct | Normal | Early bird |
|----------------------------------|---------------|-------------------|
| Four-year bond | 5.0% | 6.75% |
| Two-year bond | 3.5% | 4.25% |
| One-month access | 3% | n/a |

Amberside ALP’s management team has extensive experience in institutional fund management, as well as managing infrastructure projects. Chairman Rob McClatchey was previously Managing Director of the £1.5 billion Barclays Infrastructure Funds business in the UK and Europe. Director David Lomas was also a Director at Barclays Infrastructure Funds and, more recently, at Oxford Capital.

Over the past 15 years, the team’s six members have been responsible for investments worth over £2 billion in infrastructure, solar, commercial property and UK asset-backed lending. They will specialise in loans of below £20 million – a sector underserved by banks and other institutions – and are aiming to raise £100 million via the platform over the first 18 months.

Capital protection

Lending opportunities will be carefully selected with bondholder protection in mind. Covenants will include minimum debt service cover ratios and loan-to-value tests, meaning borrowers are expected to comfortably repay their loan.

Amberside ALP has a strong pipeline of UK-based infrastructure opportunities in place and has already signed its first loan deal. The £17.5 million loan will enable construction of an 8.3-hectare greenhouse in Suffolk to grow premium tomatoes for a major supermarket chain. The loan has been agreed at a 1.5x cover ratio, meaning that for every £1 debt payment due, the borrower is forecast to generate at least £1.50 to service that debt. The lender also has first charge over the borrower’s assets, including the 25-year lease over the land.

Richard Spacey, Director of CH1 Investment Partners, said: “We will draw on our years of experience, sourcing and evaluating strong investment opportunities away from the mainstream to deliver attractive returns. These will be uncorrelated to traditional investments, so they can play a valuable part in a diversified portfolio.”

Ends

Editor's note:

About crowd bonds

Crowd bonds are debt securities that are listed on a crowdfunding platform. They can be held within an Innovative Finance ISA, so the interest paid is tax-free. These bonds pay a fixed rate of interest and are repaid at a pre-determined date. Unlike listed bonds, there is no secondary market available.

About Amberside Capital Ltd

Amberside Capital sources, structures and evaluates investment opportunities to suit the requirements of its investment partners. The organisation builds on the experience of its founders in the infrastructure and renewable energy sectors. In addition, the business brings the rigour and best practice of institutional fund management to retail investors by offering tax-efficient equity investments and asset-backed debt investments.

Director David Scrivens was one of the founding partners of Clubfinance, a successful, low-cost investment platform that was sold to Wealth Club Ltd in January 2018.

For more information, visit www.amberside.com

About CH1 Investment Partners LLP

CH1 Investment Partners LLP provides bespoke investment solutions to high net worth, professional and sophisticated investors. It sources, shapes and undertakes due diligence on investments in unquoted companies. Through its strong network of developers and advisers, it seeks to provide access to off-market transactions.

It provides ongoing oversight and management assistance where required to ensure the best possible continued performance for investors.

The CH1 team has raised in excess of £400 million for investment opportunities to date and has over 30 years' combined experience in the non-standard investment sector.

For more information, visit www.ch-1.co.uk

Press contact

Martin Stott, Bulletin PR, 07956 917 978, martin.stott@bulletin.co.uk

David Scrivens, Director Amberside Capital Ltd, 01442 910 064, david.scrivens@amberside.com