

**The social goals, legal basis and financial arrangements
used for social bonds issued by CityLife ltd (now Allia ltd), a
not-for-profit organisation in the UK, to tackle
unemployment in East London in 2002**

the East London Bond

Zero Interest Bonds due 2015

Offer for public subscription by Citylife

December 2009

Issuer



Citylife Limited

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Bond Trustee and Security Trustee

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Legal Advisors

to Citylife

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Citylife Limited is registered under the Industrial and Provident Societies Act 1965, No.28861R and is recognised as a charity by HM Revenue and Customs, No.XR29468.

This Offer Document sets out important information about the East London Bond to be issued by Citylife. Prospective investors in the Bond should read this document carefully to ensure that they understand the offer from Citylife, the risks involved and that investing in the Bond is a suitable means for them to support the Bromley by Bow Centre and Community Links.

This Offer Document should be read in conjunction with the following documents, which also contain important information about investing in the Bond:

- the document entitled, “the East London Bond, a catalyst for renewal”
- if you are a private investor, the document entitled “the East London Bond – Information for private investors” in its final form and dated 9 December 2009
- if you are a corporate investor, the document entitled “the East London Bond – Information for corporate investors” in its final form and dated 9 December 2009
- if you are a foundation or trust, the document entitled “the East London Bond – Information for foundations and trusts” in its final form and dated 9 December 2009.

These documents are all available from www.eastlondonbond.org. However, please note that any other information found on this website, or any other website referred to in this Offer Document, does not form part of this Offer Document or the Background Documents.

Investments in the Bond must only be made on the basis of the applicable Background Documents listed above and this Offer Document. This Offer Document and the versions of the Background Documents dated above supersede any previous versions of such documents and all other information (written or oral) concerning the Bond.

Capitalised words in this document have a particular meaning which is set out in the Glossary at the back of this Offer Document.

In this Offer Document “**you**” means any prospective investor in the Bond and “**us**” means Citylife.

If you are in any doubt about whether an investment in the East London Bond is suitable for you, or in respect of the tax or inheritance consequences of the Bond, then you must consult your independent financial advisor. Neither Citylife, nor any other party named in this Offer Document (including the Trustee) can provide such advice and nothing in this Offer Document or the Background Documents should be construed as any such advice or any recommendation to invest in the Bond.

The information in respect of any organisation other than Citylife is based on publicly available sources.

Contents

2	Summary
3	Who is involved?
5	About the Bond
6	Summary of the Bonds
8	The risks
9	Key documents
10	How to invest
12	Disclaimers and general information
12	Glossary

Summary

Overview

The East London Bond is a catalyst for social and economic renewal in some of the poorest, most deprived communities in England.

A proportion of the money raised from the Bond will go to the Bromley by Bow Centre and Community Links, two nationally-acclaimed charities that have led innovative and successful approaches to regenerating East London.

The remainder of the money raised from the Bond will be lent by Citylife to Places for People Homes, a Registered Provider of social housing, under a Loan at a commercial rate of interest. When PfPH repays the Loan to Citylife it will do so together with an amount in respect of interest, and this repayment will allow Citylife to repay Bondholders in full.

More information about what the East London Bond will achieve can be found in the Background Documents and at www.eastlondonbond.org.

The Issuer

The East London Bond will be issued by Citylife. Citylife is responsible for making the Donation to the Charities and for repaying the amounts owed under the Bond to the Bondholders.

Citylife may use up to 5 per cent of the subscription proceeds of the Bond to cover an issuing fee of 1 per cent plus costs and expenses of issuing the Bond. This does not affect the entitlement of the Bondholders to receive 100 per cent of their investment back after five years. Citylife is a charitable membership society for the benefit of the community, which means that any surplus from annual operations is applied to charitable projects at the discretion of its trustee directors.

The Bonds

Potential investors may subscribe for the Bond as set out in the section "How to invest". The subscription proceeds will be used to make the Donation and the Loan on the Issue Date of the Bond. Investors will be entitled to repayment within 28 days of the fifth anniversary of the Issue Date in an amount equal to the amount that they initially subscribed for the Bond. No interest will be paid on the Bond.

The Donation

Approximately 20 per cent of the money raised from the East London Bond will be donated to the Bromley by Bow Centre and Community Links on the day on which the Bonds are issued. The exact amount of the Donation will depend on the commercial rate of interest agreed in respect of the Loan. The Donation will be divided equally between the Charities and will be made on a tax-exempt basis.

The Loan

The Loan will be made to Places for People Homes, which is a not-for-dividend Registered Provider of social housing. PfPH will use the Loan as part of its business of developing and maintaining affordable housing.

The Loan will be made for a term of five years and at a commercial rate of interest. The interest will compound and will be repayable on the repayment date of the Loan. The total amount repayable under the Loan will equal the amount required by Citylife to repay the Bondholders in full.

Who is involved?

Citylife

Citylife is a national charitable organisation that offers Charitable Bonds as a unique way to raise funds for social causes. It has previously successfully issued a number of Charitable Bonds, raising a total of over £10 million of investment.

Citylife is registered under the Industrial and Provident Societies Act 1965, No. 28861R and is recognised as a charity by HM Revenue and Customs, No. XR29468. The registered office of Citylife is Citylife House, Sturton Street, Cambridge CB1 2QF.

The Directors of Citylife are: Ram Gidoomal CBE (Chairman), Paul Doye, Steven Mather (an employee of People for Places Group), Charles Rosenmeyer and Isla Smith. Citylife's latest audited accounts are available for inspection during normal business hours at its registered office.

For more information about Citylife see www.citylifeltd.org.

Bromley by Bow Centre and Community Links

The Bromley by Bow Centre and Community Links are two well established nationally-renowned, charities working in the heart of East London. Community Links was founded in 1977, and the Bromley by Bow Centre was established in 1984.

Between them, these two charities are helping thousands of people every week in some of the poorest parts of the country. Newham is the sixth most deprived local authority out of 354, while Tower Hamlets is third. In this context of desperate need, the Bromley by Bow Centre and Community Links are helping to transform lives and turn their communities around.

For more information see www.bbhc.org.uk and www.community-links.org.

Places for People Homes

Places for People Homes is a not-for-dividend Registered Provider of social housing, regulated by the Tenant Services Authority. It builds, sells and rents homes and provides services and support to those who live in them.

PfPH is one of the largest property management, development and regeneration companies in the UK with a turnover in 2008/9 of £198 million and assets of £1.8 billion. It was established in 1965 and currently manages more than 44,000 homes.

PfPH has a credit rating from Moody's Investors Service of Aa3 with a stable outlook. This means that its obligations "are judged to be of high quality and are subject to very low credit risk".

The rating is composed of a baseline credit assessment of 8 (on a scale of 1 to 21, where 1 represents the lowest credit risk); and a high likelihood of support from the UK government (Aaa stable outlook) to prevent a default in case of need.

For more information about Places for People, including annual reviews and financial statements, see www.placesforpeople.co.uk.

The Guarantors

The proportion of the Loan to Places for People Homes which backs the Series I Bonds will be supported by a Guarantee from either or both Barclays Bank PLC and The Co-operative Bank PLC (for more about Series I and Series II Bonds see "About the Bond"). Moody's Investors Service has given Barclays Bank PLC a credit rating of Aa3 and The Co-operative Bank PLC a credit rating of A2.

For more information see www.barclays.com and www.co-operativebank.co.uk.

The Trustee

The Trustee holds the various covenants of Citylife in respect of the Bonds (including the covenant to repay the Bonds on the Repayment Date) on trust for the Bondholders. The role of the Trustee is as an administrative agent of the Bondholders. The Trustee does not investigate and has not investigated the credit-worthiness of Citylife, Places for People Homes or the Guarantors. The Trustee accepts no liability – beyond its duty as Trustee – in the event that payment in full on the Bonds is not made on the Repayment Date.

The Trustee for the East London Bond is Royal Bank of Canada Trust Corporation Limited, which is incorporated in England and Wales under the company number 00849073. The registered office of the Trustee is 71 Queen Victoria Street, London EC4V 4DE.

The terms of the Trustee's appointment as Trustee are set out in the Trust Deed – which is described in more detail in the section of this Offer Document entitled "Key documents".

The Registrar

The Registrar holds the Register of Bondholders. The owner of a Bond as shown in the Register is conclusive as to the ownership of the Bond.

The Registrar is Wrigleys Solicitors LLP, a Limited Liability Partnership registered in England under No. OC318186, regulated by the Solicitors Regulation Authority and authorised and regulated by the Financial Services Authority. The registered office of Wrigleys Solicitors LLP is 19 Cookridge Street, Leeds, LS2 3AG.

About the Bond

This section gives a summary of the key features of the East London Bond. For full terms and conditions of the Bond and other Background Documents, see www.eastlondonbond.org.

Series I and Series II Bonds

The East London Bond will fund a Loan to Places for People Homes. The repayment of the Loan by PfPH provides Citylife with the funds to repay Bondholders.

PfPH (as described above in the section "Who is involved") has a credit rating of Aa3 from Moody's Investors Service, but some investors may wish to have additional protection against the risk of PfPH defaulting on its obligations under the Loan. Therefore, Citylife will be offering two types of Bonds: Series I Bonds and Series II Bonds.

Series I Bonds

The Series I Bonds will have the benefit that the proportion of the Loan to Places for People Homes which backs the Series I Bonds will be supported by a Guarantee from either or both Barclays Bank PLC and The Co-operative Bank PLC. The Guarantors will decide, together with Citylife, the proportion of the Loan that they will each guarantee, and the aggregate of these proportions will equal the proportion of the Loan which backs the Series I Bonds.

In the event that Places for People Homes does not pay some or all of the Loan when due, then each Guarantor will be liable to pay such proportion of the shortfall as is equal to the proportion of the Loan that such Guarantor agreed to guarantee. Neither Guarantor will be liable to pay an amount greater than such agreed proportion in any circumstance, including the default of the other Guarantor.

The funds received by Citylife from the Guarantors will go to repay the Series I Bonds (but not the Series II Bonds). It is important to note that the Guarantee is not a guarantee of the Series I Bonds, but of the proportion of the Loan that supports such Series I Bonds.

The Guarantors will charge 3.75 per cent of the total amount of the Series I Bonds over the period of the Loan as a guarantee fee. This charge will be deducted from the Donation that the Bromley by Bow Centre and Community Links will receive. However, investors in Series I Bonds can offset this cost if they wish by making an additional donation at the point of application.

Series II Bonds

Unlike the Series I Bonds, the investors in the Series II Bonds are solely reliant on Places for People Homes repaying the Loan in order to be repaid in full when the Series II Bonds are due.

However, this means that no guarantee fee is deducted from the proceeds of the Series II Bonds which go to the Charities.

Summary of the Bonds

Subscription Closing Date	30 April 2010, unless extended by notice in writing by Citylife to each Applicant
Issue Date	17 May 2010, unless extended by notice in writing by Citylife to each Applicant
Zero Interest	The Bonds do not bear interest
Series I Bonds – Loan Guarantee	The Series I Bonds are backed by the proportion of the Loan which benefits from the Guarantee
Series II Bonds – No Loan Guarantee	The Series II Bonds are backed by the proportion of the Loan which is not guaranteed
Limited Recourse	The Bonds are limited recourse to the proceeds of the Loan. This means that Citylife is only liable to repay the Bonds to the extent that it has received repayments under the Loan and, in the case of the Series I Bonds only, the Guarantee
Form, Denomination and Title	The Bonds are available in denominations of £100, £1,000, £10,000, £100,000 or £1,000,000. The Bonds are in registered form. This means that ownership of the Bonds will be recorded by the Registrar in a register. The name of the Bondholder, or in the case of Joint Bondholders the first named Bondholder, as recorded in the Register will be the owner of the Bonds.
Repayment and Payments	The Bonds are due to be repaid in full at their face denomination within 28 days of the Repayment Date, which is the fifth anniversary of the Issue Date. All Bonds will be repaid on the same date. No other payments are due in respect of the Bonds. All payments will be made by electronic transfer or cheque for value within 28 days of the Repayment Date. In respect of Joint Bondholders, payment will be made to the first named Bondholder on the Register. Citylife does not accept any responsibility in respect of the rights that the second named Bondholder may have against the first named Bondholder in respect of payment or any other matters between Joint Bondholders. Where payment is attempted by electronic transfer, Citylife will not be liable for any failure or delay in payment which results from events beyond its control.

Early Repayment at the Option of Citylife	Citylife may at its option repay any or all of the Bonds, in whole or in part, prior to the Repayment Date. Citylife will give not less than 30 days, and not more than 90 days, notice to the relevant Bondholders. There is no obligation on Citylife to repay any of the Bonds prior to the Repayment Date.
Purchase by Citylife	Citylife may agree with a Bondholder to purchase Bonds held by that Bondholder. Such purchase will be subject to agreement with the relevant Bondholder and may incur an administrative charge. There is no obligation on Citylife to purchase any of the Bonds.
Transfer	The Bonds are transferable. To transfer a Bond in whole or part (subject to the specified denominations) a transfer form must be completed and returned to the Registrar.
Taxation	No tax should be payable by primary investors on receipt of the monies received on redemption of the Bonds as the repayment amount equals the investment amount and therefore no capital gain arises. Potential investors should seek advice from their professional tax advisors if in any doubt about the tax implications of an investment in the Bonds. Nothing in this Offer Document or any other document issued by Citylife should be construed as tax advice.
Covenants	As part of the terms and conditions of the Bonds, Citylife makes certain covenants to the Bondholders. Subject to certain conditions, if Citylife breaches these covenants then Bondholders may seek early repayment of the Bonds. Bondholders should note that any such repayment will be subject to the limited recourse conditions as described above.

The risks

Citylife believes the risk of investing in the East London Bond to be very low. However, like any financial investment, investing in the Bond contains certain risks.

Some of the risks that Citylife believes are material are set out below. However, please note that there may be other risks involved in investing in the Bonds and certain risks may be due to your individual circumstances. If you are concerned about these risks you must consult your independent financial advisor.

Social investment and access to capital

The East London Bond is a social rather than financial investment. The Bonds do not pay interest or provide any capital gain and, except at Citylife's option (which it may not decide to exercise), the Bonds are only repayable on the Repayment Date. The Bonds are transferable, although there is a risk that you may not find a purchaser for Bonds, and any purchaser may only be willing to buy the Bonds at a discount.

This means that the Bonds are not suitable for investors who require income or capital gains from their investment or investors who need ready access to their capital.

Credit risk on Places for People Homes

The Bonds are limited recourse to the Loan. In the event that Places for People Homes does not or is unable to repay the Loan in full (or at all) then Bondholders will not be repaid in full (or at all) on the Repayment Date. The general assets of Citylife are not available to make payments to Bondholders.

The Aa3 credit rating of PfPH from Moody's Investors Service means that its obligations "are judged to be of high quality and are subject to very low credit risk".

Credit risk on the Guarantors

In the event that Places for People Homes does not repay the Loan in full (or at all) then Bondholders in respect of Series I Bonds only may benefit from monies received under the Guarantees. However, in the event that the Guarantors do not or are unable to pay under their respective Guarantees then Series I Bondholders will not be repaid in full (or at all) on the Repayment Date. Any proceeds from the Guarantees will be divided equally between Series I Bondholders.

As described above, Moody's Investors Service has given Barclays Bank PLC a credit rating of Aa3 and The Co-operative Bank PLC a credit rating of A2.

No guarantee of the Loan for Series II Bondholders

In the event that Places for People Homes does not repay the Loan in full but monies are received under the Guarantees, then such monies will only be for the benefit of Series I Bondholders. Series II Bondholders do not benefit from monies received under the Guarantees.

Financial Services Compensation Scheme

The Financial Services Compensation Scheme does not apply to an investment in the Bonds.

Losing contact with Citylife

It is a duty of the Bondholder to keep the Registrar, on behalf of Citylife, informed of any change of address. If Citylife's attempt at repayment on the Repayment Date is unsuccessful, and if Bond certificates are not presented within 10 years of the Repayment Date, the investment is forfeit and will be applied by Citylife for its charitable purposes.

Key documents

The Trust Deed and the Deed of Charge are important legal documents which set out the relationship between Bondholders, the Trustee and Citylife. Brief descriptions of these documents are set out below – the full versions of the documents are available from Citylife upon request.

Trust Deed

The Trust Deed will be entered into by Citylife and the Trustee on or before the Issue Date. It contains:

- (i) the terms and conditions of the Bonds, which are also available from www.eastlondonbond.org
- (ii) the terms of appointment of the Trustee including the terms on which it may retire or be removed
- (iii) the terms on which the Trustee will act, including that the Trustee is not required to take action on behalf of Bondholders unless it has received instructions as set out in the Trust Deed and has received such indemnities and security against loss from the Bondholders as it may require
- (iv) the terms on which Bondholders' meetings will be held and the requisite quorums and majorities required to pass Bondholder resolutions.

In particular, Bondholders should note that they cannot enforce the terms and conditions of the Bonds on an individual basis but only through the Trustee.

The Deed of Charge

The Deed of Charge protects investors against the risk of Citylife becoming insolvent. It will be entered into by Citylife and the Trustee on or before the Issue Date. Under the Deed of Charge, Citylife assigns its rights under the Loan and Guarantee to the Trustee by way of security. This means that in the event Citylife becomes insolvent, or does not repay the Bonds in full on the Repayment Date, the Trustee may enforce the terms of the Loan and Guarantee on behalf of Bondholders. The effect of this security is that Bondholders are taking credit risk on Places for People Homes and not Citylife. As described above, PfPH has a credit rating of Aa3.

The Deed of Charge also contains limited recourse provisions, the effect of which is described above in "Summary of the Bonds" and in "The risks".

The Registrar Agreement

The Registrar Agreement will be entered into by the Registrar and Citylife on or before the Issue Date. Under the Registrar Agreement the Registrar will agree to perform certain duties for Citylife in respect of the Bonds, including establishing and maintaining the Register of Bondholders.

How to invest

Who may invest

You may invest in the East London Bond if you are:

- (i) an individual aged 18 or over and resident in the UK. You may invest in your own name or jointly with one other individual who is also aged 18 or over and resident in the UK
- (ii) a corporate body whose registered office is in the UK
- (iii) a charitable trust, provided the trust's rules allow for investment in a non-yielding asset (the Charity Commission provides further general guidance on social investment).

How to invest

You may invest in the Bond by completing the application form. You must subscribe a minimum of £500 and may subscribe for any amount greater than this in multiples of £100.

Citylife expects to close the offering of the Bond on 30 April 2010 and to issue the Bonds on 17 May 2010. Citylife reserves the right to extend the Closing Date and the Issue Date and will notify each Applicant in writing if it does so. Citylife also reserves the right not to accept your application.

Basis of the application

Citylife will accept applications only on the basis of information in this Offer Document and relevant Background Documents. This information supersedes all other information (written or oral) concerning the Bonds.

Payment

Payment may be made by cheque or by BACS. A separate payment must accompany each application. Cheques should be made payable to "East London Bond" and must be drawn on a bank in, and be payable in, the United Kingdom, the Channel Islands or the Isle of Man in the same name as the subscriber.

Payment received before the Closing Date will be placed in a separate account of Citylife. Citylife has declared that such account is held on trust for the Applicants until the Issue Date. On the Issue Date the monies standing to the credit of the account will be used to make the Loan and the Donation as well as paying the fees and expenses of Citylife and the guarantee fee in respect of the Series I Bonds. No interest accruing on the account will be payable to Applicants; however, any amounts standing to the credit of the account following the Issue Date will be used for Citylife's charitable purposes.

No application will be accepted unless and until payment has been received.

Cancellation

You have the right to withdraw your application at any time up to the Issue Date. You will receive your money back in full but no interest will be paid to you on such monies.

Notice on Money Laundering

Citylife and the Registrar are required by law to check the identity of any applicant for the Bond or of any person for whom an applicant is acting as agent, in accordance with the Money Laundering Regulations 2007. They may therefore ask you to supply documentation to confirm your identity, address or both. Any documents provided will be recorded and copied for audit purposes as part of our anti-money laundering requirements. If satisfactory evidence of identity is not received within the specified time, this may delay the processing of your application and may even result in your application being rejected. You should ideally make payment from your personal bank or building society account.

Certificates

Certificates in respect of holdings of the Bonds will be sent by post within 30 days of the Issue Date. Please note that title to the Bonds is recorded through the Register.

Notification

If your details change or if your bond certificates are lost or stolen you must contact the Registrar immediately.

Information

Reports outlining the activities supported by the East London Bond will be sent to you at least annually for as long as you hold a Bond.

Joint investments

The Bonds may be purchased on a joint basis by up to two persons. However, only the first named Bondholder on the Register will receive information and have voting rights in respect of the Bond, and repayment will be made in full to the first named Bondholder on the Repayment Date. Ownership rights in respect of any jointly held Bonds are a matter for such joint owners and Citylife's obligations are to the first named Bondholder only.

Disclaimers and general information

Data Protection Consent

By completing the application form you are giving consent for the Registrar, on behalf of Citylife, to hold the information you provide in accordance with current data protection legislation. The Registrar and Citylife will use your information for the maintenance of the Register and the redemption of the Bond on maturity.

The information will be shared where appropriate with the Trustee and the beneficiary Charities in the normal course of the registration process including for identity checks, and for subsequent investor communications. Citylife and the beneficiary Charities may also send you communications about other areas of their work unless you have requested otherwise. Your information will not be disclosed to other firms for marketing purposes. You have the right to ask for a copy of the information held about you in our records, and to require us to correct any inaccuracies. Please write to Citylife at Citylife House, Sturton Street, Cambridge, CB1 2QF.

Legal Background

This document is issued by Citylife Limited. Citylife is not an investment institution authorised and regulated under the Financial

Services and Markets Act 2000, and does not accept deposits. It is permitted to issue this financial promotion pursuant to the exemption to Section 21(1) of the Financial Services and Markets Act 2000 contained in paragraph 35 of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005. This offer of transferable securities does not require an approved prospectus pursuant to Section 85 Financial Services and Markets Act 2000 because the Bond falls within paragraph 7(2)(a) of Schedule 11A of the Financial Services and Markets Act 2000 Prospectus Regulations 2005. Citylife accepts responsibility for the preparation of this document. To the best of the knowledge and belief of Citylife (which has taken all reasonable care to ensure that such is the case) the information contained within this document is in accordance with the facts and the document makes no omission likely to affect the meaning of such information.

Law and jurisdiction

These terms and conditions and any agreement made on the basis of them or non-contractual obligation arising out of or in connection with them will be governed by and interpreted in accordance with English law.

Glossary

Applicant	A potential subscriber for the Bonds who has paid subscription monies to Citylife
Background Documents	The document entitled, "the East London Bond, a catalyst for renewal" If you are a private investor, the document entitled "the East London Bond – Information for private investors" in its final form and dated 9 December 2009 If you are a corporate investor, the document entitled "the East London Bond – Information for corporate investors" in its final form and dated 9 December 2009 If you are a foundation or trust, the document entitled "the East London Bond – Information for foundations and trusts" in its final form and dated 9 December 2009
Bond	The East London Bond (see definition opposite)
Bonds	The Series I Bonds and the Series II Bonds
Bondholders	The holders of the Series I Bonds or the Series II Bonds as the case may be

Charitable Bond	A type of Bond issued by Citylife to raise funds for a charitable cause
Charities	Bromley By Bow Centre and Community Links, registered charities, numbers 1041653 and 1018517
Closing Date	30 April 2010 unless extended by notice in writing by Citylife to each Applicant
Deed of Charge	A security agreement entered into by Citylife and the Trustee on or before the Issue Date under which Citylife assigns its rights under the Loan and Guarantee to the Trustee by way of security
Donation	The donation given, in equal proportions, to the Charities, being the difference between the subscription proceeds of the Bonds (less Citylife's fees and expenses of up to 5 per cent) and the principal amount of the Loan
East London Bond	This offer of £20,000,000 Zero Interest Limited Recourse Bonds in support of Bromley by Bow Centre and Community Links
Guarantee	The guarantee, or guarantees, provided by one or both Guarantors on the Loan which backs the Series I Bonds
Guarantors	Either or both Barclays Bank PLC and The Co-operative Bank PLC
Issue Date	30 April 2010 unless extended by notice in writing by Citylife to each Applicant
Joint Bondholders	Two people who hold a Bond jointly: only the first named Bondholder on the Register will have voting rights in respect of the Bond and repayment will be made in full to the first named Bondholder on the Repayment Date
Loan	The loan made by Citylife to Places for People Homes, the repayment of which by PIPH will fund repayment of the Bonds to Bondholders
Offer Document	This document
PIPH	Places for People Homes
Registered Provider	A social housing provider, regulated by the Tenant Services Authority
Register	The register of Bondholders held by the Registrar
Registrar	Wrigleys Solicitors LLP
Repayment Date	Bondholders will be repaid on this date which will be within 28 days of the fifth anniversary of the Issue Date
Series I Bonds	The Bonds which are backed by a Loan which has the benefit of the Guarantee
Series II Bonds	The Bonds which are backed by a Loan which does not have the benefit of the Guarantee
Tenant Services Authority	The independent regulator of affordable housing in England established by the government
Trustee	Royal Bank of Canada Trust Corporation Limited
Trust Deed	An agreement entered into by Citylife and the Trustee on or before the Issue Date appointing the Trustee

The East London Bond

the
East London
Bond
a catalyst for renewal

The opportunity to deliver a real legacy in East London



bromley by bow centre



The issue

- East London is challenged by exceptionally **high levels of deprivation, poverty and unemployment**; the impact of the recession will last here far longer
- We **cannot afford to repeat the mistakes** of Canary Wharf and create another island of prosperity surrounded by a sea of poverty. **Deep-seated social problems will not be resolved simply by new buildings** and a spectacular Olympic and Paralympic Games
- We need to make the Olympic legacy stretch beyond buildings and new sports pitches **to touch lives and change living conditions for both old and young**
- Without **genuine social regeneration** alongside the new developments, we will be faced with an asset rich, cash poor East London where nothing has changed after the last athlete goes home in 2012

- Tower Hamlets is the **third most deprived local authority** in England out of 354, while Newham is the **sixth**
- **Four out of five children** in Tower Hamlets **live in poverty**
- **One in five adults** in Newham has **no qualifications**
- **Unemployment** in Tower Hamlets is over **twice the national average**
- A **child born** in Newham is **twice as likely to die before the age of 1** than a child born in Richmond
- The number of **under 15s 'not in good health'** in Tower Hamlets is the **worst in the country**

The solution



- **Bromley by Bow Centre and Community Links – two well established, nationally renowned charities working in the heart of East London** have the capacity to deliver genuine social change and regeneration. They enable a huge number of people to grasp opportunities and build a better future for themselves and their families
- They do this by **supporting people in crisis, raising aspirations and building confidence, extending opportunities, harnessing entrepreneurial spirit, tackling poverty and strengthening communities**
- To enable them to consolidate and extend their reach in a way that will create **a lasting legacy for East London** they need £1 million each right now – not an uncertain flow of funding over several years
- Between them Bromley by Bow Centre and Community Links have the track record and expertise to deliver a **real community legacy** to those who are least likely to benefit from the opportunities coming to East London – **reaching the most excluded people and families to fundamentally transform their, and future generations' prospects**

These charities will ...

the
East London
Bond
a catalyst for renewal

- **Raise aspirations and build confidence:** using the Olympics ideals to inspire local people, develop healthy lifestyles and raise self esteem
- **Support people in crisis:** providing specialist financial advice and debt advice to help those families hit hardest by the recession, including training young people to reduce the likelihood of crippling debt for the next generation
- **Extend opportunities:** engaging new employers coming into the area to create training and employment opportunities and help young people who have never worked (and frequently come from families where their parents and grandparents have never worked) enter training or employment
- **Grow community hubs:** investing in the crucial spaces that are rooted in the heart of communities enabling them to reach out to over 10,000 additional people each year, strengthening the community's ability to tackle their own problems.
- **Harness entrepreneurial spirit:** incubating up to 20 social enterprises as engines of local employment, and setting up a revolving loan facility with which to fund new enterprise start ups.



bromley by bow centre



community links

Together we can raise the money

the
East London
Bond
a catalyst for renewal

- Through subscription to a **philanthropic investment bond** – a gift which is returned in full after five years
- The East London Bond will be **issued by Citylife**, a national charity with a robust record of issuing and redeeming on schedule charitable bonds that are designed to support charities that give people a better future
- Even though interest rates are at historic lows the impact of an **exempt arbitrage** means 20% of Bondholders' money is donated upfront yet 100% is returned in five years' time
- The arrangement is underpinned by Places for People Homes (Moody's Investor Services rated Aa3) who add further social value by the creation of affordable housing. A **100% bank guarantee** is available.
- The target is to raise £10 million which will **release £2 million** of funding between Bromley by Bow Centre and Community Links immediately



"This Bond is an easy way to help. A bit of surplus earning very little in a bank account can be put to better use."

Margaret Drabble, Author



How does the bond work?

1

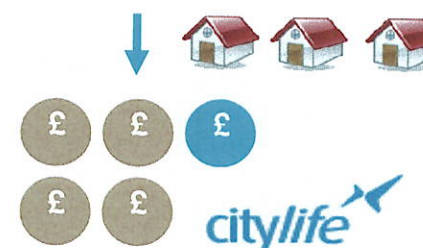
Investors put their money in a fixed term Bond with Citylife.



3

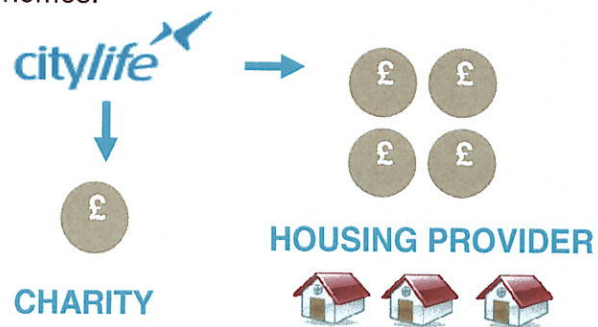
After five years the loan is paid back to Citylife with interest, taking the fund back to its original 100%

HOUSING PROVIDER



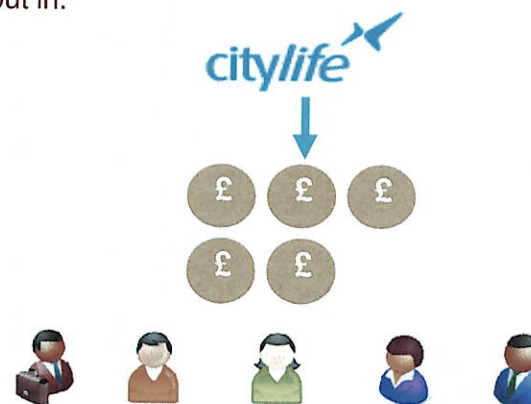
2

Citylife immediately gives around 20% to charity and loans the remaining 80% at a commercial rate to Places for People Homes to develop affordable homes.



4

Citylife gives the investors back all the money they put in.



bromley by bow centre



Why pledge your support this way?



- The Bond allows companies and private investors to pool their resources to deliver a step change in scale at a crucial time for East London by releasing **£1 million to each of the charities upfront**
- The **Bonds are retained as assets** on the balance sheet. They aren't spent, they're invested
- Investors get their **capital back to reinvest** elsewhere at the end of 5 years
- Between them, and with your help, Bromley by Bow Centre and Community Links have the track record and expertise to deliver a **real community legacy** to those who are least likely to benefit from the opportunities coming to East London – reaching the most excluded people and families to fundamentally transform their, and future generations' prospects
- Reaching the **£10 million target** for the East London Bond will enable countless lives to be changed



*The East London Bond is an **efficient way to ensure transformational and sustainable change** for some of the most deprived communities in England by making unrestricted funding available to Bromley by Bow and Community Links*



Thank you



The East London Bond www.eastlondonbond.org

Bromley by Bow Centre www.bbhc.org.uk

Community Links www.community-links.org

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