
Written 11 May 2020

EMERGENCY LOAN FUND FOR SME HOUSEBUILDERS

Housebuilders are now able to apply for short-term loans of up to £1 million from the Scottish Government to support them through the COVID-19 pandemic.

Small and medium-sized enterprises (SMEs) with liquidity issues due to the temporary closure of the housebuilding sector will be able to apply to a £100 million Scottish Government emergency loan fund.

The aims of this funds are:

- safeguard jobs and protect suppliers
- support post-coronavirus economic recovery and the continued supply of homes
- retain diversity of the housebuilding sector

SME housebuilders will be able to apply for loan support from 2pm on 18 May on the Scottish Government website. Full details on the criteria for the Fund will be available shortly.

Applicants should be a SME housebuilder with a turnover of £45 million or less per year, building five or more homes per annum. They should only apply for funding that is necessary for the short term. They will be asked to explain why existing support mechanisms are not sufficient for their business.

These loans have been capped at £1 million, most if the loans are expected to be repaid within two years with interest rates set at 2%. The minimum loan amount is £50,000.

See: <https://www.gov.scot/news/emergency-loan-fund-for-sme-housebuilders/>