

Independent Living Loans from the Victor Donaldson Fund

Loans from the Victor Donaldson Fund (VDF) are intended to enable pension-age Freemasons to remain in their home by providing funding towards essential repairs and improvements.

Purpose

The Victor Donaldson Fund originated in 1973 from a legacy donation from Lieutenant Colonel Victor C Donaldson, who was a fellow of the Royal Institute of Chartered Surveyors. Lieutenant Colonel Donaldson's vision was to offer loans to annuitants of the Royal Masonic Benevolent Institution Care Company (RMBICC) to allow them to carry out essential repairs to their property in order to keep it in a reasonable structural and decorative state.

The intention of the fund was to assist annuitants that were unable to afford the repairs, thereby enabling them to remain in their own homes and improve their quality of life.

The fund was subsequently increased by further contributions from the Freemasons' Grand Charity and RMBICC in 1990 and 1995 respectively, to allow a wider group of applicants to benefit.

In 2017 the administration of the VDF was taken on by the Masonic Charitable Foundation, from the RMBICC. As an extension of the MCF's charitable aims, loans are offered to successful applicants on an interest free basis.

Examples of previous assistance include, but are not limited to:

- Rewiring
- Repair/replacement of roofs
- Double glazing
- Replacement of central heating system

Conditions

- Open to Freemasons and Masonic widows/bereaved partners over 65 years of age.
- Applications are subject to an assessment of the applicant's income, capital and property value.
- A legal charge will be secured against the applicant's property and any legal costs incurred will be added to the value of the loan.
- The property must belong to the applicant.
- The property must be freehold, or leasehold with an unexpired lease of 75 years or more.
- The property must have adequate buildings insurance for the duration of the loan.
- Minimum loan value - £2,500.
- Maximum loan value - £40,000.

- If applicants have an existing charge against the property the MCF will consider taking a second charge, however, the cumulative value of the charges should not exceed 25% of the property value.
- The loan is interest free.
- The applicant is required to obtain independent legal advice before signing the loan agreement. The cost of this legal advice will be added to the value of the loan.
- The applicant should provide three quotes for the work required.

How is the loan secured?

The loan is secured by way of a legal charge against the property, equivalent to the value of the loan and any additional legal costs incurred in setting up the loan. The loan is interest free and the borrower is not required to repay the loan until the eventual sale or transfer of the property. If the property is not sold or transferred during the borrower's lifetime, the loan will be redeemed from their estate.

Procedure

- A representative of the MCF will visit the applicant at their home address to complete the application forms and to gather the required supporting documentation, including three quotations and an indication from the applicant of their preferred contractor.
- If an application is successful the MCF will then issue an offer letter and loan agreement which should be signed by the applicant(s), their solicitor and any other individuals with an interest in the property, confirming that they have understood and agreed to the terms of the loan and returned to the MCF.
- On receipt of the signed loan agreement the MCF will arrange for the Legal Charge to be secured against the property by Forbes Hall LLP.
- Where the MCF has the first charge against a property, when asked to do so the applicant must send the title deeds to Forbes Hall LLP by registered post and they will be securely stored by the MCF for the duration of the loan.
- When the MCF receives confirmation that the charge has been secured against the property a final confirmation letter will be issued to the applicant, breaking down the full value of the loan.
- The loan amount will then be transferred to the applicant in full, in order for them to manage the payments to suppliers.

Relatives

It is recommended that any persons with an interest in the property, including close living relatives and the Executor of any wills, are informed of the reason(s) for the loan and the amount required. If the property is held as Tenants in Common, all parties must enter into the Legal Charge on the property. A restriction will be put on the register that the property cannot be sold or transferred without the written consent of MCF unless the loan has been redeemed.

Redemption of the Loan

If the applicant wishes to repay the loan at any time, they may do so. Forbes Hall LLP will deal with the repayment of the loan and removal of the charge with the Land Registry. A fee of £150 plus VAT (subject to change) will be charged for this service.