



Invest in ideals

DE VRIJKOOP

VAN

laes dorp

Information Brochure
December 2020



We will be building here



Table of Contents

Introduction

4

Ideals with a Future

5

Common Activities

6-7

Step by step

8-11

Timeline

12-13

A living building

14-15

Collective Ownership

16-17

Diverse Financing

18-19

Q&A

20-25



Introduction

De Vrijkoop van Bajesdorp realizes the first free space in Amsterdam, which is literally built by tenants and artists from the ground up. Based on fifteen years of experiences and ideals of the Bajesdorp community, we create a cooperative, sustainable, and inviting free space with around 20 apartments and creative studios. This offers a social, not-for-profit alternative to the gentrification of Amsterdam, with activities for everyone. Interested in investing in this asset to our neighborhood and city?

This booklet tells you everything you need to know about crowdfunding: we are selling bonds to realize the building and to let the project be yours as well. If you buy a bond, you help us assure the autonomy of this free space. Next to our gratitude and a more liveable city, you will also receive a decent interest!

Let op! U belegt buiten AFM-toezicht. Geen vergunning- en prospectusplicht voor deze activiteit.



Please note that you are investing outside AFM supervision, no license or prospectus requirement for this activity.

Ideals with a future

The initiators of this project lived and worked in the flats of the former guards of the Bijlmer prison, also known as Bajesdorp. After years of negotiations, we succeeded to reserve the ground we lived on for a living-and-working-community with a solidary character and a social vision for the future. With a solid, grassroots community backing us, we can buy Bajesdorp off from the so called “free market” and put it under collective management for good.

Hence, permanence has a future here. And our values are stable:

Hospitable

Our community is a close-knit one, but the threshold to enter will remain low. We remain open and curious towards the neighborhood and the city.

Sustainable

Our new building will be built in a circular manner, and once the building is standing, we will be living and working in it according to energy-neutral standards.

Permanent

Contrary to most “broedplaatsen” (cultural incubators), this one offers permanent space for artistic work and solidary ways of living.

Creative and Divers

Our living-and-working-community is there for artists, activists, tenants, and participants from a diverse range of artistic disciplines, age-groups, cultural and social backgrounds, genders, and sexual preferences.



1



2



3



4



5



6 6



7

Common Activities

The association Bajesdorp has experience running a vibrant, sustainable, and creative living-and-working-community for years. Our activities focus on alternative and social ways of living and working with each other. These are living examples of how we create our resources not only for ourselves: we like to share those with the neighborhood, the city, and frankly with all people around us. De Vrijkoop van Bajesdorp will continue these initiatives. Our fifteen-year history knows a couple of highlights we are particularly proud of:

The Bajesdorp Festival, an alternative music festival, which has been organized annually since 2011 and which has seen the support of 800 volunteers and visitors from all over Amsterdam.

Our weekly **public soup kitchen** (“VoKu” or “volkskeuken”), where we cook a healthy and affordable three-course-meal for people from the neighborhood.

The Bajesgarden, which is loosely designed and maintained according to permaculture principles and used by a culturally diverse group of volunteers, amongst whom are many people from the neighborhood.

The **Neighbor Compost Project** in the Bajesgarden, a project which won the jury and audience award in the competition “De Gezonde Stad” in 2017.

The weekly **language café** started in collaboration with a near-by asylum center and volunteers from the neighborhood.

Sports events like the cycling race **“Around the Bajes”** with 50 participants and over 200 spectators.

Artist-in-residency, we share our living-and-working facilities with international artists from different disciplines.

1-3: The annual Bajesdorp festival

4: Artist in residence

5: The Bajesgarden

6: Weekly public soup kitchen

7: Around the Bajes

Step by Step

Since property development proves to be a rather complex endeavor, decisions are only made after very careful deliberation. Since 2015 we have been developing and thinking about our vision, the building, possibilities for collaborations and financing. On top of this, the Dutch regulations are not familiar with this new form of collective and non-transferable property. That means, we are not only building toward our own living-and-working-community, but also shake up banks and authorities along the way to pave the way for future initiatives.

We hope that similar projects in the future will have an easier time realizing their dreams. In the meantime, part of our group is already living together on the temporary facilities on the ground. This motivates us even more to prepare the building for our new sanctuary.

The starting phase

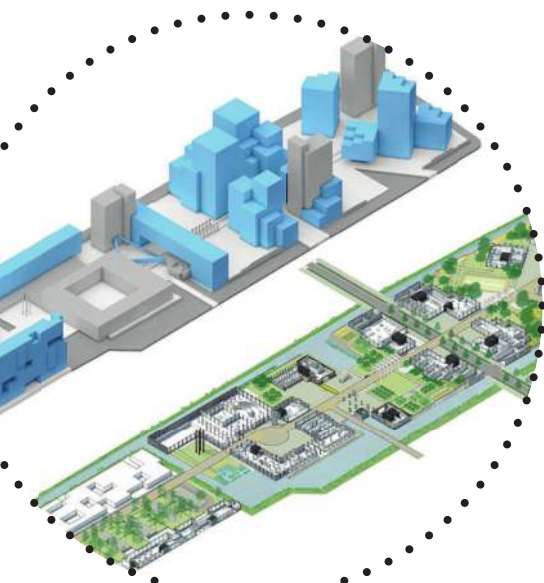
In June 2019, the social and cultural community center of Bajesdorp, De Muiterij, moved from one of the former prison guard's houses to the former villa of the prison's director. It is here, that our new building will be realized. A couple of residents from the prison guard houses have moved to temporary mobile homes in between the former director's villa and the rail tracks. This ground is also part of our future plot.





In November 2019, our year-long lobby work finally paid off: the city council of Amsterdam voted in favor of our proposal to buy the ground for our plot from the project developer Bajes Kwartier, and to hand it out to us in lease later. We have a signed agreement between Bajesdorp, Bajes Kwartier and the municipality of Amsterdam which states that we will receive the ground in lease.

Meanwhile we founded a new association which all future users join as members: the user-association Het Nieuwe Bajesdorp. Together with the association VrijCoop we are in the process of establishing the property-association Het Nieuwe Bajesdorp, who will be the owner of the building (see also Collective Ownership).



The design- and financing phase

Together with our team of architects, we have started designing the building. At this moment we are working to finance the whole plan. We are constantly refining the texts and spreadsheets of the mortgage-proposal. Bureau Broedplaatsen from the city of Amsterdam committed to giving us a subsidy. Furthermore, we are looking into subsidies for sustainable building. The financing must be finalized before we move on to the next phase: the application for the building permit. The first expenses are financed by the future tenants of the building. They made an interest-free investment, which is the membership entrance fee. With this investment, we cover the costs of the temporary and the final design. After all, the architects must be paid.

Permit

Once the design is ready, we will be applying for an "omgevingsvergunning" (an all-in-one permit for all physical aspects of a new building). However, this procedure can take up to 26 weeks. During this period, the contract for the ground-lease is being drafted; the process of transferring the property of the ground from the project developer Bajes Kwartier to the city of Amsterdam is being prepared further; and we will start with the preparations of the actual construction together with the architect.

To pay the fees for this permit, we will need money from the bonds for the first time. Also, we have to pay taxes over the purchase of the ground, and for the leasing contract of the ground we have to pay a notary and a legal advice. All of this we will also be paying from the bonds (the money gathered in this crowdlending campaign).

On top of that, we use the bonds for the remaining costs of the final design and the cost for the architect for preparing the construction.



Kick off

Once the all-in-one permit has been granted for the construction of the building, the demolition of the director's villa can start. After that, the site will be cleared for building and the transfer of the plot from Bajes Kwartier to the city of Amsterdam will take place. Following that, the lease-agreement will be signed by us and the city of Amsterdam.

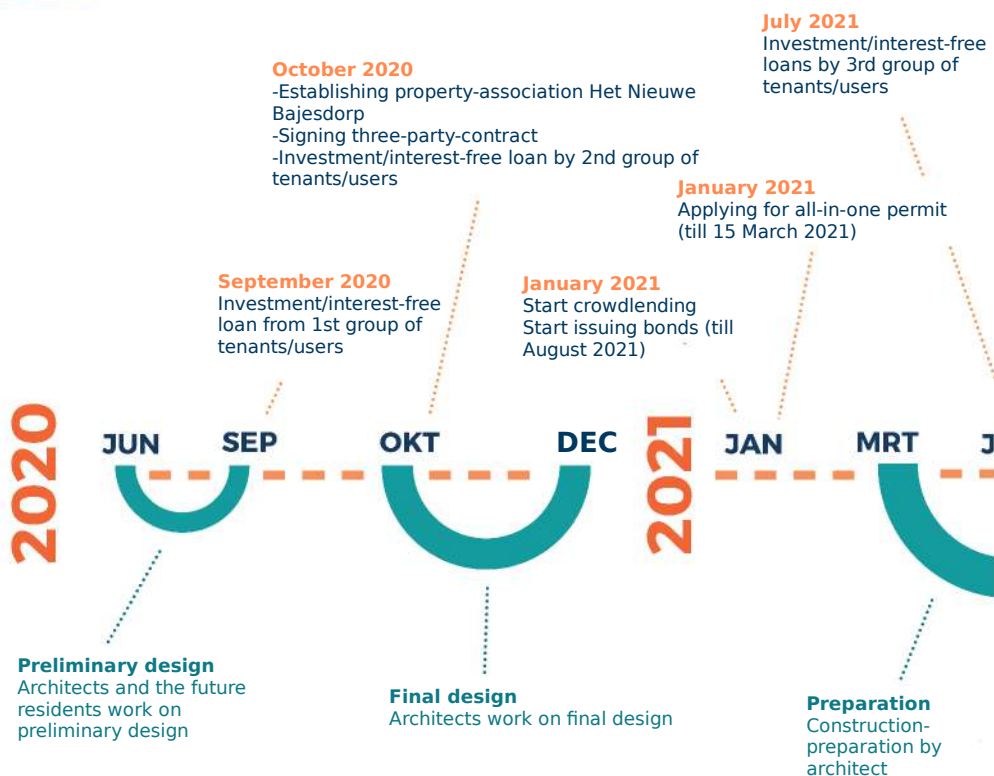
Then it's time for the construction! In this period, we will also be receiving the finances from the mortgage of the bank and will we be needing the full amount from our bonds.

Handover

The building will be handed over shell. After that, we can continue to finish up the building from the inside. From this moment, tenants and users will start paying rent and we will then have an income. A couple of years after, we will be ready to start paying back the bonds. Our operating budget gives an indication of how much we will be paying back each year. In practice, there will always be setbacks and strokes of luck in the process. Of course, we will celebrate the opening of our building with a big party, to which we warmly invite all our bondholders!



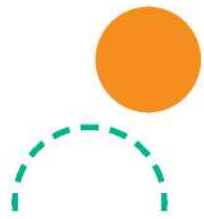
Timeline





At the latest September 2021
Decision by the city over all-in-one permit

October-November 2021
- Securing mortgage
- Hand-over lot in lease
- Tender construction out to contractor

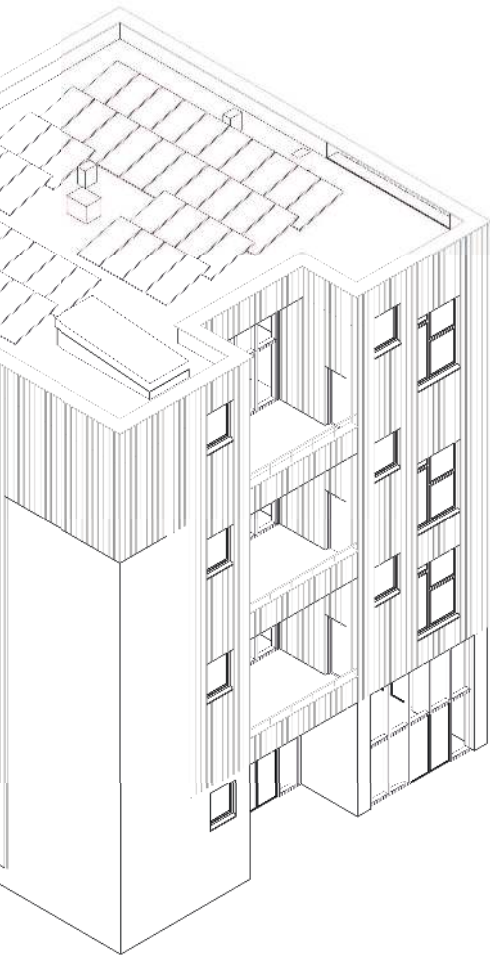


A living building

Our common ideals will come to life in our new building. A sky-high building with a low-threshold. A publicly accessible sanctuary at the base, with a good balance of work- and living-spaces on top of it for a diverse group of users and residents. To realize the sustainable building, we work together with certified architects who understand where we are coming from and where we are going.

The design

With four floors, the building will be 20 meters high in total. The ground floor is dedicated to publicly accessible activities such as a café, a kitchen, a theatre, and studios for artists. The three floors on top will each hold a couple of creative studios and a couple of flats. Next to that, all floors have a common room and a shared balcony. In total, we will realize 10 working-spaces and 10 apartments. Some apartments are bigger and meant for couples, small families or other multiperson-households. On two sides of the building there will be a vegetable garden and a food forest. The energy suppliance is completely green and collectively organized.





Collage

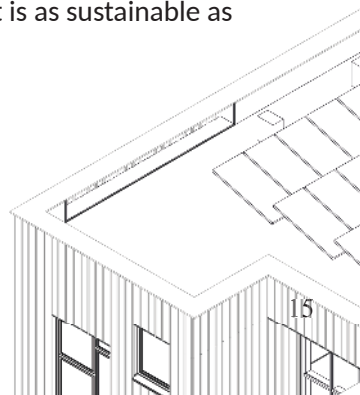
Our building will be a collage, a reflection of all the different users of the building. It will be built in a sustainable manner and as affordable as possible. Therefore, we like to keep it simple. The building will be handed over shell. All apartments and work-spaces will be finished from the inside by the residents and users themselves. Everyone builds in their own way, which will give the building even more color and character. Throughout the years, the Bajesdorp community will project new ideas onto the building. It will be a living building which is never fully finished and to which tenants and users will keep adding their ideas.

The architects

Martin Kuitert from Studio Seven Architects leads the three-headed team of architects. Martin has been involved since the beginning of the project. He made the design sketch that convinced Bajes Kwartier and the city of Amsterdam to work with us. He listens to our sometimes rather wild ideas with calmness and finds solutions for what is legally and financially possible.

Yuri Werner is a nonconformist architect and shiatsu-therapist. Her DIY-mentality perfectly matches the principles of Bajesdorp. She has much experience with community-projects and neighborhood-initiatives. On top of that, she is steadfast in navigating rules and regulations.

Rogier Rouwet is an architect and carpenter in dialogue with nature. He likes to work with alternative building-methods and materials. Also, he is committed to ideals of common living and common building in a community. He guides us toward the realization of a building that is as sustainable as possible.



Collective Ownership

Our goal is to permanently keep the building in collective ownership. This way, we avoid that our building can ever be sold on the property market and can indefinitely guarantee living and working spaces for an affordable price. This revolutionary ownership-model has been successfully applied by the German Mietshäuser Syndikat in over 160 housing projects. We work together with their Dutch counterpart, the association VrijCoop. Our own name, the Vrijkoop van Bajesdorp, is a reference to these partners.

It works as follows

The new building will be the property of the **property-association** Het Nieuwe Bajesdorp. The association has two members:

User-Association

Het Nieuwe Bajesdorp

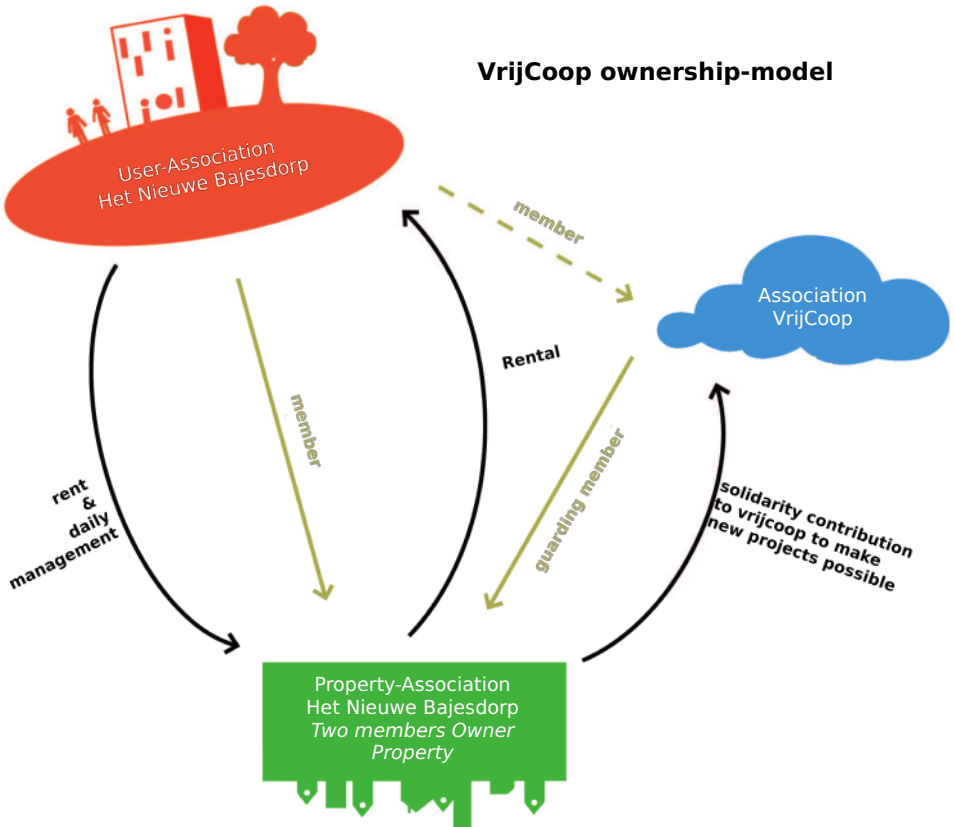
All residents and permanent users are members of this association. This association rents and manages the whole building from the property-association. The residents and users rent from the user-association.

Association VrijCoop

The organization VrijCoop is an association of resident-activists. They support new and existing housing projects which are bought off the so called “free market”. The housing projects in VrijCoop form together a strong network of solidarity. Each building is the property of a property-association, of which VrijCoop is one of the two members. The daily affairs are determined and executed by the residents themselves. Structural decisions, such as selling the building, can be blocked by VrijCoop. This way, Bajesdorp and VrijCoop can legally assure our shared ideals of social and solidary living, also in the future.



VrijCoop ownership-model



Supervision

There is supervision of both the property-association and the user-association, in that all relevant financial documents (like the annual account) are checked by an audit committee and afterwards presented to the member's assembly for approval. The audit committee of the property-association consists of two members of both the user-association and VrijCoop. Approval of the annual account will be given by both members: the user-association and VrijCoop.

FINANCIAL PLAN

Notary, sales document lot	30.000		
VAT over purchase amount lot	220.000		
Expenses mortgage realization and taxation	22.000		
Expenses demolition and preparation lot	33.000	Own investment members	100.000
Preliminary design architect	25.000		
All-in-one (building) permit	56.000		
Final design architect	25.000	Subsidies Bureau Broedplaatsen	175.000
Construction preparation architect	50.000	Subsidies for sustainability	50.000
Tender (architect)	8.000		
Construction support and management (architect)	40.000	Bonds	575.000
New building	1.605.000	Mortgage	1.650.000
Interest costs	43.000		
Unforeseen costs	164.000		
VAT over construction and design	410.000		
VAT deduction	-181.000		
Total costs	2.550.000	Total financing	2.550.000

Exploitation (per year)

Maintenance- and management costs	22.275	Rental apartments	91.420
Estimated loss of rental income	4.425	Rental ateliers	56.270
Solidary contribution to VrijCoop	500		
Lease city	24.970		
Interest and repayment bonds	22.855		
Interest and repayment mortgage	72.665		
Total expenses	147.690	Total income	147.690

Diverse Financing

De Vrijkoop van Bajesdorp wants to be a project positioning itself right in the middle of society. By investing in our project, a group of solidary people shows us they trust in our social values and the visionary model for future social and creative housing pioneers. Eventually more of these projects needs to be given a chance! It is also an important requirement from the bank: the mortgage can finance only up to 65% of the needed total amount of the financing. The remaining 35% must come from personal savings or other loans. These 35% are made up of the investment of the future tenants, the subsidies we are applying for, and the bonds.

We use four, possibly five, ways of financing:

Member's investment

For the starting phase - financially the riskiest phase - the future tenants invest their own savings through the means of the membership entrance fee.

Subsidies

We make use of the subsidies for broedplaatsen from the city of Amsterdam; after all, it will be a creative work-and-living space. These subsidies are assured. Next to this, we are on the lookout for additional subsidies for sustainability.

Mortgage

The biggest part of the sum comes from the mortgage from a bank. We are at this moment in dialogue with the German GLS bank.

External financiers

People or legal entities (like funds) with whom we start a loan agreement.

Bonds

For the last bit, €575.000, we will hand out bonds. By buying a bond you can loan us a big or small amount. You will get the money back with interest. This form of investing in ideals is called crowdlending.

Questions and Answers

What are bonds?

A bond is a tradeable debt certificate for a loan. If you buy a bond from us, you practically loan us money. You will be compensated by receiving an annual remuneration in the form of an interest. As soon as the duration of the bond is expired, we pay the complete nominal value back.

What is the value of the bonds?

Each bond has a value of €250. But it is of course possible to buy several bonds, if you wish to invest a larger amount.

What are the duration and interest rates of the bonds?

You get your money back after a duration of 5,10,15, or 20 years, depending on the type of bond you choose. With each duration the interest rates differ:

- **1,7% a year with a 5-year duration**
- **2% a year with a 10-year duration**
- **2,25 % a year with a 15-year duration**
- **2,5% a year with a 20-year duration**

The interest is paid out in January the following year. As bond holder you can also opt for donating the annual interest to our association.

How did you choose the interest rates?

We based the interest rates on the standard saving's deposits of different banks with similar durations. We have also reviewed the interest rates other projects offer, like Ecodorp Boekel, the first VrijCoop housing project.

When and how will the bonds be repaid?

During the duration of the bonds, we will start paying back the bonds. Hereby we draw amongst the bonds with the shortest remaining time. As a bond holder you can let us know that you would like your bond to be part of the drawing. Hence, a bond with a duration of 5 years will be repaid 5 years after the purchase the latest; for a bond with the duration of 10 years this will be 5 to 10 years after the purchase, etc. When all bonds with a shorter duration are repaid, we can repay earlier than expected, but we do not expect this to happen. If you have bought a bond with a longer duration, but want to have your money back earlier, you can sell the bond to someone else.

Can I sell my bonds?

Yes, the bonds are freely tradeable. If you want to sell a bond, you can first offer it to us. In case we do not want to take over the bond, you can offer it to someone else. If you have found a buyer get into contact with us to transfer the bond to the new owner.

Who hands out the bonds?

The bonds are handed out by the property-association Het Nieuwe Bajesdorp.

What are the risks?

The bonds are subordinate regarding the loans we get from external financiers, such as the mortgage from the bank. The bonds do not fall under the prospectus requirement and the supervision of the Dutch Authority Financial Markets according to the Exemption Regulation Law of the financial supervision.



Please note that you are investing outside AFM supervision, no license or prospectus requirement for this activity.

How much risk do I run?

As you can read in our step-by-step plan, we are doing the first investment ourselves. This is the investment of the future residents and users of the new building. With it, we finance the costs of the preliminary design and the final design.

The first 10% of the bonds we will start using once the city has given their verdict over our application for the all-in-one permit. Because we must pay the fee for it, also in case the permit is withheld - in most cases only partly - there is some risk of loss here. If the permit is rejected altogether, we will not be able to continue our project. At that point, we pay back the bondholders according to a ratio of the money that is left over after the costs had been covered. If all bonds are sold at that moment, your maximum loss will be 10% of the original value. If case that not all bonds have been sold, the loss might be a bit higher. We estimate that this risk will not be too high because we have been in very constructive communication with the city for years, and we will only apply for the permit after the final design has been approved by the city.

The transfer of the ground will only take place once the permit is granted and the financing of the bank is granted as well. If we cannot fulfill these requirements, we cannot continue with the project. Then we pay back the bonds, with a proportionate deduction of the costs that have already been made. We do not estimate this risk to be high as we are in dialogue with a bank that has financed very similar projects - similar in construction, under similar requirements, in the Netherlands - before.

During the construction phase, the risk of cost overrun, and other setbacks could occur. We take measurements to minimize the chances of this risk as much as possible. We are supported in setting up the budget by our experienced architect. We will also agree on fixed prices with our contractor from the beginning on. Moreover, we have reserved 10% for unforeseen costs in our budget.

Once the building is completed, the risk could be that we generate too little rental income to repay the bonds. This risk is as much as possible covered by making the association in its entirety accountable for the repayment of the interests. This is statutorily recorded. We have also reserved a buffer in our operating budget for possible rental loss. On top of that is it rather unlikely that there will be too little demand for affordable living- and working spaces in Amsterdam.

Another risk is that the building becomes inhabitable through a fire or other calamities. We will buy a home insurance to cover this risk as much as possible. This is also a requirement by the bank for the mortgage agreement.

What are the bonds spent on?

Only once the city has made a definitive decision over our application for the permit, shall we use the money we got through selling the bonds. We will not spend any money, if the bank has not given a letter of intent for their part of the finances at that moment. We know from other projects that the mortgage process might not be final at that moment. But the bank can declare its intention and we will only proceed in the process once we have that declaration of intent on paper. VrijCoop is supervising the process. Larger changes in the financial plan must be approved by them. When we start spending money, we will inform all bondholders.

How do I declare the bonds in my Dutch income tax?

In Box 3, under investments.

What happens if you go bankrupt?

A bond is a secondary loan. This means that if we go bankrupt, we will first repay the mortgage, then possible external financiers and only then repay the bonds. The last repayment are our own investments. Hence, with the purchase of a bond you run a bigger risk than the bank and external financiers, but a smaller risk than we ourselves.

Who will assess the value of the building?

The assessment is required in order to determine the value of the building. It is an important step in the establishment of the feasibility of the project and the financing of the building. The assessment will be done by the bank which gives us the biggest part of the financing.

What is the number of bonds I can buy?

The maximum amount for which you can buy bonds is €100.000, which is also the ceiling for the exemption of the prospectus requirement according to the law of financial supervision, Article 5.3.

Can I also buy bonds in the name of my company, association, or foundation?

A bond holder can be a natural person as a legal entity (companies, foundations, or associations). If a legal entity participates, it is the legal entity who is the bond holder and not the contact person.

Do you have written regulations about the bonds with more information and conditions?

Yes, you can find these on our website.

Can I meet the future residents?

Sure, we regularly organize information evenings. And you can always send us an email to make an appointment or ask for more information about the next information evenings.

Is there another way I can support the project?

Yes, it is possible to donate to the project. You can do that under NL61 RABO 0356 9806 85, Gebruikersver. Het Nieuwe Bajesdorp.

Furthermore, we make use of different forms of engagement and expertise. There will be a lot of chores once the construction processes start, as well as other practical meet-ups and parties with which we can use your help. Send us an email under meedoen@bajesdorp.nl and we get in contact with you.

And it always helps us if you tell other people about our project!

Did we manage to enthuse you about buying bonds?

Under vrijkoop.bajesdorp.nl you can register your interest in buying bonds.



You can mail us under financieel@bajesdorp.nl for all questions about the financing of the project.

Do you want to know more about Bajesdorp?

www.bajesdorp.nl

vrijkoop.bajesdorp.nl

We keep you posted via

Instagram: **@bajesdorp** and

www.facebook.com/Bajesdorp

or you can sign up for our newsletter via bajesdorp.nl/

contact

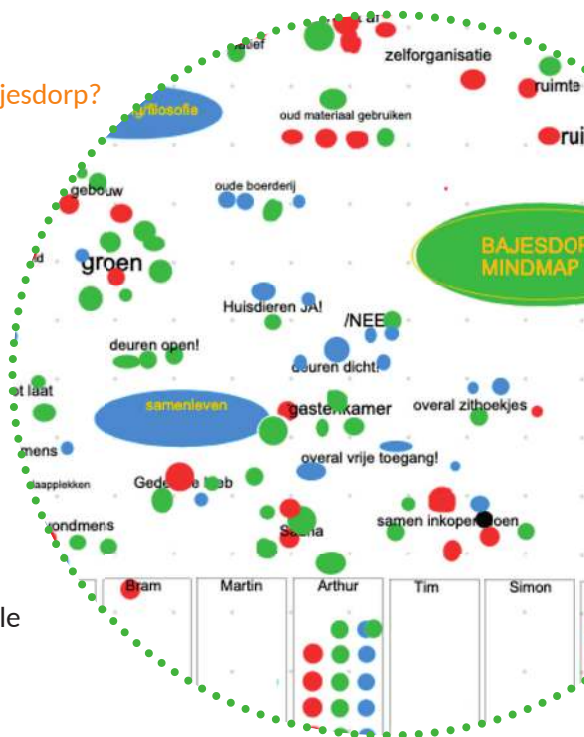
For more information about the whole

new neighborhood look at

www.bajeskwartier.nl

Association VrijCoop:

www.vrijcoop.org





Bajeskwartier
Amsterdam

co plink

x Gemeente
x Amsterdam

VRU Coop



DIT
NUTTERIJ

GARIBOLDI
ORGANICS





Colophon

This booklet is published by the user-association Het Nieuwe Bajesdorp, registered at the Kamer van Koophandel under the number 77332822.

The information that this booklet offers is based on the information that was known to the association in October 2020. Look at our website for updated information and/or an updated version of this booklet.



This booklet is printed on sustainable paper. Did you finish reading it?
Pass it on to others who are interested in our project. That way the
booklet gets a second life.

De Vrijkoop van Bajesdorp
Information Brochure
December 2020