



# Financial Instrument for Urban Rehabilitation and Regeneration

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Financial instrument to support investments in urban rehabilitation, covering the entire national territory. IFFRU 2020 brings together various sources of funding, both European funds of PORTUGAL 2020 and funds from other entities such as the European Investment Bank and the Council of Europe Development Bank, combining them with commercial banking funds.

## TYPE OF RECIPIENTS

Any natural or legal, public or private entity (including condominiums and non-profit-making entities) with sufficient authority and powers to implement the project.

## TYPES OF SUPPORT

Financial products of two types (not cumulative):

- **Loans** - with maturities of up to 20 years, grace periods equivalent to investment period + 6 months (max. 4 years) and interest rates below those for similar investments
- **Guarantees** - associated with loans provided by the same banks, and intended for projects that do not have sufficient guarantee.

The projects may also be granted tax benefits already foreseen in the law, associated to the location and nature of the project, namely related to the IMI and IMT real estate taxes and VAT

## PROJECTS SUPPORTED

- **Complete rehabilitation of buildings aged 30 years or more** (or, in the case of younger buildings, with a conservation level of 2 or less)
- **Rehabilitation of abandoned industrial spaces** and units with a view to their conversion
- **Rehabilitation of private units** in social housing buildings undergoing complete rehabilitation

In the same funding application, IFFRU 2020 supports energy efficiency measures complementary to urban rehabilitation projects, which are identified by the certified expert on the energy certificate.

Interventions have to introduce an improvement of at least two (2) classes in the energy performance of the building.

The rehabilitated buildings can be used for any purpose, including housing, economic activities and communal facilities.

## ELIGIBLE EXPENSES

All expenses relating to the urban rehabilitation and energy efficiency measures.

Maximum Total Investment per project (including VAT) - Up to EUR 20 million (including max. EUR 10 million for the energy efficiency component).

## YUNIT SUPPORTS YOU THROUGH THE WHOLE PROCESS

For further information, contact your Yunit consultant or send questions to [contacto@yunit.pt](mailto:contacto@yunit.pt)  
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## LOCATIONS

Buildings to be rehabilitated must be located in areas defined by the municipal council:

- Urban Rehabilitation Area (ARU) - if purpose is non-housing
- Action Plan for Urban Regeneration (PARU) - if purpose is housing

If the project is in a social housing building: it must be located in the area defined by the municipal council in the Integrated Action Plan for Deprived Communities (PAICD).

## APPLICATION

Steps for preparing the funding application:

1. Request for a conforming opinion from the municipal council where the property is located
2. Energy Certificate of the property before the intervention drawn up by an expert certified by ADENE
3. Request for funding from the selected banks.

## YUNIT SUPPORT

- Preparation of the Specifications supporting the Funding Application, which includes the Business Plan for the intervention (financial viability study, financial charts, flow chart, evaluation of the financial risks associated with the project; profitability and viability indicators and sensitivity analysis)
- Formalisation of the Application with the chosen Banking Entity (completion of the Application Form, replying to requests for clarification and review of the Draft Decision)
- Implementation Monitoring (organisation of Project File, completion of Implementation Report(s) and monitoring of Bank Inspections/Physical Audits or EG IFFRU 2020)

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