

35 year housing association loan priced in just four days

29th March 2019

For Immediate Release

Funding aggregator bLEND, priced a new 35 year bond on March 29, coinciding with the original BREXIT day set by the UK Government. The £20m new tranche of borrowing was priced at Gilts plus 1.43%, a reoffered cost of 2.92% and funded Wales & West, an existing bLEND participant.

The funding was arranged under bLEND's A2 rated MTN programme which allows very fast execution for accredited borrowers. "We were delighted to take up the idea of a longer-term maturity with Wales & West at last week's Finance Conference, and deliver it a week later" said Piers Williamson, bLEND and THFC's Chief Executive.

The transaction follows on the heels of another sub 3%, 15 year bLEND MTN, delivered two weeks ago for Hightown Housing Association.

Recent weeks have seen a succession of own-name HA bond transactions, in a range of maturities varying between 10 and 35 years, totaling nearly £1.75Bn in a period which had been described earlier this year by some as a 'closed market'.

2019 Public Issues to date

Issuer	Amount	Term	Cost of Funds
Clarion	£250m	10 years	2.72%
THFC Funding 3	£83m	25 years	3.45%
Notting Hill HT	£250m	10 years	2.97%
Futures	£200m	25 years	3.41%
MoR Homes	£250m	19 years	3.48%
bLEND	£50m	15 years	2.98%
InCommunities	£250m	30 years	3.29%
Home Group	£350m	24 years	3.25%
bLEND	£20m	35 years	2.92%

"Three months ago we were contingency planning for a disruptive market on BREXIT day" said Williamson "I'm having to pinch myself that on the 29th of March we are actually pricing the longest term deal we have ever done at THFC...and at one of the lowest rates."

Stuart Epps, Executive Director (Resources) at Wales & West Housing commented:

"We are delighted with the additional £20m that we have been able to secure from Blend. The speed of execution has been beyond our wildest dreams, with an exploratory conversation in Liverpool turning into an executed transaction just a week later. We are particularly pleased with the sub 3% rate and the term at 35 years, taking maturity into the 2050's. The money will be used to fund our ambitious development programme, developing over 500 badly needed new affordable homes a year, in order to play our part in making a difference to communities across Wales."

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