

£25m bLEND tap almost four times oversubscribed amidst volatile market

5th March 2020

In the midst of a highly volatile market bLEND has tapped its benchmark 2047 £270m bond for £25m to achieve an all in yield of 2.26% for Silva Homes.

With the bond market subdued for the last couple of weeks due to uncertainty over coronavirus, bLEND's tap was almost four times oversubscribed, reflecting the demand for strong credits from investors. bLEND, a subsidiary of The Housing Finance Corporation, has a Moody's rating of A2, and the deal for Silva Homes grows its [loan portfolio](#) to £390m. Today's tap comes in at a spread of 140bps over Gilts.

This is the second time the THFC Group has come to market this year, with both transactions achieving all in rates sub-2.3% for their underlying borrowers. Silva Homes are an established housing association who have twice borrowed through the Affordable Homes Guarantee programme in 2017, which is run by THFC's subsidiary, Affordable Housing Finance Plc. Silva will use the funds to invest in its development programme and build much needed affordable homes in the South East.

Silva's Chief Executive, Alan Ward, said of the deal:

"We are delighted with the rate we have been able to secure today through bLEND which is part of our fund-raising activity this year to support our growing development programme.

It demonstrates the confidence that investors have in us as a business and we are grateful for the support of the bLEND team in making it happen."

Piers Williamson, CEO of bLEND, said:

"Today's deal shows that even in tough conditions, the market is open for tried and trusted organisations with strong credit ratings."

"Given bLEND's proven ability to cut through volatility and deliver for its borrowers, it's no surprise we have a healthy pipeline of anticipated deals for 2020. We are delighted to welcome Silva to bLEND."

