

## Reverse enquiry from two investors sees further bLEND issuance

**21<sup>st</sup> April 2021**

bLEND today signed a new 33-year loan to Teign Housing at an all-in rate of 2.41% after a reverse enquiry by two investors.

Proceeds of the £33m tap of bLEND's 2054 maturity were sold to the institutional funders with a particular investment need that matched the profile of UK social housing. The spread of +115bps over Gilts equates to a -1bp new issue premium, reflecting the strength of appetite for bLEND (A2 Moody's) paper in the market.

After today's transaction total bLEND issuance stands at £988m, of which £160m was issued in 2021 alone. Housing associations view bLEND's streamlined processes as a route to quick and easy access to long-term capital markets funding at competitively low rates. Borrowers range from very large (45,000 homes) to community based (less than 3,000 homes).

Proceeds of the tap will go to Teign Housing, which manages over 3,600 homes in south Devon. The funds will go to refinancing existing liabilities to strengthen Teign's business and services for residents.

The latest reverse inquiry demonstrates the appetite for the UK social housing sector when investors are looking for long-dated, low-risk and stable investments. It also showcases how bLEND can respond both to the needs of investors and those of the sector, at pace and in a very efficient way.

bLEND's CEO, Piers Williamson, said: "We are already getting the bit between our teeth with four transactions completed since January. We continue to innovate with our MTN structure and bLEND's success lies in the simplicity of its model and the ease with which our borrowers can access funding, as well as our strong credit rating. To be able to secure a negative new issue premium through a reverse enquiry is testament to investor confidence in bLEND, and it is this confidence which will underpin the future growth we have planned for the new financial year."

Jo Reece, CEO of Teign Housing, said: "To secure long-term funding at this rate allows us to maintain the strong financial profile which underpins our business and the services we offer tenants. As a member of the bLEND pool moving forward we're well placed to quickly and easily access new funding as we continue to invest in our stock and build new, quality social homes for our communities."

John Tattersall, director at Centrus said "Centrus has worked closely with Teign to develop a refinancing strategy that will fund the business plan, unlock capacity, deliver value for money, and manage risk. Following a broad market sounding it was clear the bLEND offering maximised delivery of these objectives for Teign and with the pricing of the transaction today locking in a very attractive all-in cost of funds Teign will be well placed to go from strength to strength."

### **Note to editors:**

About THFC: The Housing Finance Corporation (THFC) is the UK's leading affordable housing aggregator, with £7.5bn of lending to around 160 housing associations in England, Wales and Scotland. THFC was set up in 1987 in partnership with the National Housing Federation and what was the Housing Corporation. It now also operates through its subsidiary company, bLEND, which was

established in 2018. As a not-for-profit, the group's surpluses are retained and reinvested to ensure THFC can continue to provide competitively priced funding for HAs long into the future. THFC's track record of innovation includes some of the earliest green finance products for retrofit and sustainable developments.

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