



## **CHRISTIAN ACTION HOUSING BORROWS £50M FROM M&G INVESTMENTS**

- ***North London housing association increases capacity to develop 260 new homes***

**24 November 2014**

Christian Action (Enfield) Housing Association (“Christian Action”) based in Enfield, London, has borrowed £50 million from M&G Investments (“M&G”), a leading international investment manager, in a long-term financing deal.

The 30-year private placement enables Christian Action to repay debt and fulfill its long-term development ambitions, adding to the 1,500 homes it already owns or manages. Christian Action provides homes throughout Enfield, Barnet, Haringey and Waltham Forest.

Until 2007 housing associations generally relied on banks and The Housing Finance Corporation to meet their external funding requirements. In recent years non-bank lenders such as M&G are providing an increasing amount of longer term finance as banks withdraw from this market.

**David Joyce, Finance Director, Christian Action Housing Association**, says: “Although we are looking seriously at a small level of private sales and shared ownership in the future, we still see our core purpose as providing rented social housing to meet local housing needs.

“The goals for this refinancing exercise were to increase our development capacity, improve our ability to deal with market fluctuations, reduce interest rate risk in the longer term and to help Christian Action achieve its core strategic goals whilst staying within the Board’s stated risk profile. In fact, we are the smallest housing association to have accessed financing of this magnitude from M&G in this type of deal structure.

“Completing 80 new homes this year will increase our stock by 5%. We are a relatively small housing association but have a steady development programme focused in North London.”

**Mark Davie, Head of Social Housing, M&G Investments**, says: “Housing associations such as Christian Action play an integral role in the community by providing local people with much needed housing.

“M&G has now invested over £5bn in UK social housing through property transactions, public bonds and private placements and we’re keen to do more. Our pension fund clients continue to seek cash flows over the long-term which are secured against residential property.”

Centrus advised Christian Action in respect of its interest rate strategy, bank refinancing and through the private placement process.

## **ENDS**

If you require any further information, please contact:

David Joyce, Finance Director, Christian Action  
Tel: 01992765913 Email: [davidjoyce@christianaction.org.uk](mailto:davidjoyce@christianaction.org.uk)

Irene Chambers, PR Manager, M&G Investments  
Tel: 020 7004 4132 Email: [irene.chambers@mandg.co.uk](mailto:irene.chambers@mandg.co.uk)

## **Notes to Editors**



A private placement is bespoke, privately arranged, financing.

### **About Christian Action**

Motivated by Christian and social concern, we aim to create places where people want to live. We invest in high quality housing, support and services that are affordable and accessible to those in housing need.

Christian Action works in the four London boroughs of Enfield, Barnet, Haringey and Waltham Forest. Our purpose is to identify local needs, to respond to these needs with local solutions, and to provide excellent local services.

Christian Action (Enfield) Housing Association was founded in 1966 as a local, church-based, response to the need for affordable housing for rent. This remains our core activity, and we continue to build new housing and purchase older properties for renovation when the opportunities arise.

Today we own or manage over 1,500 dwellings, providing a range of housing and services. We work in partnership with local authorities, the community and voluntary sectors, private sector organisations, and we seek to provide high quality services that are affordable and accessible to our customers.

### **About M&G**

M&G is an international active asset manager, investing on behalf of individuals and institutions for over 80 years. At 30 September 2014 the firm managed over £257 billion of assets through a wide range of investment strategies across equities, bonds, property and multi asset.

Headquartered in London, M&G employs over 1,500 people worldwide operating from offices across Europe and Asia.

M&G's history is a story of investment firsts, from the UK's first mutual fund in 1931 to the Inflation Linked Corporate Bond Fund in 2010. M&G is the investment arm of Prudential plc in the UK and Europe.

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