

## EastendHomes to build 142 homes following £25 million financing deal to support innovative house building approach

**London, 7 January 2021** – EastendHomes has completed a new £25 million funding facility with M&G Investments ('M&G') to build 142 new homes in east London.

The facility will provide long term funding for a partnership scheme with residential developer and contractor Gracewood Group LLP constructing the homes on the roof of existing blocks in the Mile End area of the London Borough of Tower Hamlets. Work on the scheme is already underway and around 80% of the new homes will be for social and affordable rent.

This innovative scheme of 'vertical extensions' will significantly enhance the number of affordable homes on the estate by increasing the height of existing blocks. When completed this will add another 142 units on the existing buildings along with the conversion of garages. The existing blocks will also be upgraded and will benefit from improved environmental works.

Based in the London Borough of Tower Hamlets, EastendHomes' mission as a charitable Housing Association is to **build more high quality affordable homes to address local housing needs** and demand. Through this partnership, EastendHomes is rising to the challenge of the GLA and London Mayor's strategy to '**Build more homes**' and encourage innovation.

**Kevin Moore, Chair of EastendHomes said:** "We are especially pleased to have been able to conclude the new funding agreement with M&G in such challenging times and look forward to providing new much needed affordable homes for the people of Tower Hamlets."

**Mark Davie, Head of Social Housing, M&G, said:** "Our partnership with EastendHomes demonstrates the important role institutional investors play in providing finance to organisations that have a positive impact on the communities they operate in. In this case, EastendHomes' investment into new design will bring about a sustained improvement in the homes and quality of life for residents."

In recent years non-bank lenders such as M&G have been providing an increasing amount of longer term finance as banks withdraw from this market. M&G has over £6 billion invested in UK social housing through property transactions, public bonds and private placements on behalf of institutional investors such as pension funds.

**Charles Pear, Director at Gracewood Group comments:** “This is an exciting and long-standing project. It will set a precedent for future airspace developments, something we believe is in part the future solution to the UK’s housing shortage.”

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**If you require any further information, please contact:**

**M&G Investments**

Irene Chambers  
M&G Corporate Communications  
Tel: +44 (0)7825 696 815  
Email: Irene.Chambers@mandg.co.uk

**EastendHomes**

Helen New  
Tel: 07748773874  
Email: helen@helennew.com

**Gracewood Group LLP**

Victoria Eltis or Lindsay Castellana  
Four Communications  
Tel: (0)7891 423 322/ (0)7385 027 939  
Email: Victoria.eltis@fourcommunications.com / Lindsay.castellana@fourcommunications.com

**Note to Editors**

**About M&G Investments**

M&G Investments is part of M&G plc, a savings and investment business which was formed in 2017 through the merger of Prudential plc’s UK and Europe savings and insurance operation and M&G, its wholly owned international investment manager. M&G plc listed as an independent company on the London Stock Exchange in October 2019 and has £339 billion of assets under management (as at 30 June 2020). M&G plc has over 5 million customers in the UK, Europe, the Americas and Asia, including individual savers and investors, life insurance policy holders and pension scheme members.

For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate.

M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

M&G plc has committed to achieve net zero carbon emissions on its total book of assets under management and administration by 2050 and committed to reduce operational carbon emissions as a corporate entity to net zero by 2030.

For more information, please visit: <https://global.mandg.com>

**About EastendHomes**

EastendHomes is an award winning community based charitable Housing Association managing over 3,500 homes in Tower Hamlets, East London. Its vision is to achieve the comprehensive regeneration of the estates they manage and to bring about a sustained improvement in the homes and quality of life for residents.

**About Gracewood Group**

Gracewood Group LLP is a residential developer and contractor, experienced in developing, building and managing residential property and leading the way in much needed affordable-led, innovative airspace home schemes. Since 2000, Gracewood has delivered high quality, mixed tenure developments and rooftop schemes across East London and Essex.