



Press release
24 October 2016

Greenfields to build 850 new homes for Essex following funding deal

Greenfields Community Housing, the Community Gateway association which provides shared ownership, leasehold and affordable rented housing in Essex, has secured £40 million in a long-term financing deal from leading international investment manager, M&G Investments.

The payments of the 35-year loan will be split over the next two years and will allow Greenfields to build more homes for rent, shared ownership and sale in the Braintree District and surrounding areas.

An additional £25m will come from the Affordable Housing Guarantee Programme - half from an Affordable Housing Finance Bond loan and the remaining £12.5m from the European Investment Bank. Both are low interest, Government-backed loans which will be repaid by 2047.

"Creating safe, sustainable and thriving communities is something that myself and many others at Greenfields are extremely passionate about," said David Hall, Greenfields' finance and resources director.

"It is excellent news that we have secured these loans from new partners that genuinely believe in who we are and the impact we want to have on residents' lives. I look forward to seeing the positive outcomes that these homes will have for many years to come."

Mark Davie, head of social housing at M&G, said: "Long-term financing of this kind will enable Greenfields to meet its development ambitions and provide much-needed affordable housing within the area it serves.

"We are proud to have invested over £6bn in UK social housing through property transactions, public bonds and private placements."

Piers Williamson, chief executive at The Housing Finance Corporation (THFC) said: "We are delighted to provide funding to Greenfields to build new affordable housing in Essex. The Government guarantee for the loan results in a low interest rate – only 1.983% on the bond portion - which we hope will help Greenfields to increase its financial capacity to undertake further development."

Until 2007, housing associations generally relied on banks and THFC to meet their external funding requirements. 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.

-ENDS-

If you require any further information, please contact:



Amanda Bhavnani

Communications Advisor

Greenfields Community Housing

01376 332473

Amanda.bhavnani@GreenfieldsCH.org.uk

In Amanda's absence, contact Paula Briggs on 01376 535400 ext. 5635 or

paula.briggs@GreenfieldsCH.org.uk

Magdalena Andrzejewska

Corporate Communications

M&G Press Office

Tel: 0203 790 2152

magdalena.andrzejewska@mandg.co.uk

Notes to Editors

About Greenfields Community Housing

1. Greenfields were advised by Anthony Collins Solicitors, Centrus Advisors and Jones Lang Lasalle Limited. Santander GCB acted as agents for the private placement of loan notes.
2. Greenfields aims to own and manage 9,000 homes by 2020
3. Since 2011, Greenfields has built over 175 homes across the district and beyond, including Witham, Braintree, Sible Hedingham, Thaxted and Sudbury
4. Greenfields endeavours to work with local contractors and suppliers on its development projects
5. Greenfields' apprentices are given the opportunity to learn new skills by working on its development sites

About M&G

M&G is an international active asset manager, investing on behalf of individuals and institutions for over 80 years. At 30 June 2016 the firm manages over £255 billion of assets through a wide range of investment strategies across equities, fixed income, real estate and multi asset. Headquartered in London, M&G employs over 1,900 people worldwide operating from offices across Europe and Asia.

M&G is the investment arm of Prudential Plc in the UK and Europe. M&G Investments is a direct subsidiary of Prudential plc, a company incorporated in the United Kingdom. Prudential plc and its affiliated companies constitute one of the world's leading financial services groups and is not affiliated in any manner with Prudential Financial, Inc, a company whose principal place of business is in the United States of America.

This press release reflects the authors' present opinions reflecting current market conditions; are subject to change without notice; and involve a number of assumptions which may not prove valid. It has been written for informational purposes only and should not be considered as investment advice or as a recommendation of any particular security, strategy or investment product. Past performance is not a guide to future performance. Information given in this document has been obtained from, or based upon, sources believed by us to be reliable and accurate although M&G does not accept liability for the accuracy of the contents.

M&G Securities Limited is the Authorised Corporate Director for M&G Property Portfolio. M&G Securities Limited is registered in England and Wales under number 90776 with its registered office at Laurence Pountney Hill, London EC4R 0HH. M&G Securities Limited is authorised and regulated by the Financial Conduct Authority. M&G Real Estate Limited is registered in England and Wales under number 3852763 with its registered office at Laurence Pountney Hill, London EC4R 0HH.