

ONE HOUSING TO BUILD 1,450 HOMES FOLLOWING £85 MILLION FINANCING DEAL WITH M&G INVESTMENTS

- ***New homes to be built in London and the South East by 2020***

London, 6 February 2017 – One Housing, a leading developer and provider of homes, care and support in London and the South East, has borrowed £85 million in a long term financing deal with M&G Investments (“M&G”), an international investment manager.

The 35-year loan will enable the housing association to increase liquidity and develop 1,050 homes for social and affordable rent, shared ownership schemes as well as an additional 400 properties for market sale by 2020 to generate profits to invest in further affordable homes. This forms part of a wider ambition to develop 4,000 homes across all tenures over the next five years.

This deal is innovative for the housing sector, because a high proportion of the collateral comprised shared ownership properties.

Paul Rickard, Group Director for Finance, One Housing, says: *“This innovative loan, using the growing value of our shared ownership portfolio, will help us to build thousands more high-quality homes to meet the critical demand in London and the South East.”*

Mark Davie, Head of Social Housing, M&G, says: *“One Housing already provides much needed homes in an area of the country where affordable housing is in short supply. This is our second transaction with One Housing and will enable further developments over the next few years.”*

“This approach brings benefits to our pension fund clients who seek to receive sustainable long-term returns, secured against residential property. M&G has now invested over £6 billion in UK social housing through property transactions, public bonds and private placements and we’re keen to do more.”

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 have been providing an increasing amount of longer term finance as banks withdraw from this market.

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Notes to Editors

About One Housing

One Housing helps people to 'live better' by providing high quality homes and care across London and the south east. It manages over 15,000 homes and has plans to build thousands more. The company also cares for over 11,500 people to help them live independently and operates the UK's largest homeless hostel, Arlington.

To raise money for urgently needed affordable homes One Housing builds new homes to rent or sell on the open market or borrows against its £5bn property assets, which are largely in central London. In the last three years it has delivered more than 1,500 new affordable homes to help meet the housing shortage in some of the world's most desirable areas.

About M&G

M&G is an international active asset manager, investing on behalf of individuals and institutions for over 80 years. At 31 September 2016 the firm manages over £266 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.

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