



Press release  
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## **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.

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#### **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.

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