

**30 November 2015**

**For immediate release**

**All good things.....AHGS end date announced**

Following the Autumn Financial Statement, the Department for Communities and Local Government (DCLG) have confirmed that the Licence for the £3.5Bn Affordable Homes Guarantee Scheme (AHGS) will run to its contractual end date, and no longer.

Affordable Housing Finance has made the following regulatory announcement:

*The Affordable Housing Guarantee Scheme remains open for Housing Association applications that can be approved within the Guarantee Availability period. This is confirmed as the period to 31 March 2016.*

*Affordable Housing Finance Plc is working to ensure that applications are processed as efficiently as possible to finance further loans to housing associations funded from bond issues and the European Investment Bank during 2016.*

The March 31 deadline refers to the last date HAs wishing to access the scheme can achieve credit clearance between AHF and the Government. In practice, both bond and EIB transactions will complete later in 2016 and 2017 under the terms of the License.

“The period between now and March 31 2016 will be extremely busy for us” said Piers Williamson, Chief Executive of THFC. “We have had a very strong pipeline for the scheme and we will endeavour to process the strongest business cases prior to the end of the scheme. We anticipate around £2Bn will be written under the scheme by the end of March, which makes it the most successful guarantee scheme the Government has sponsored”.

The success of the AHGS was endorsed only two weeks ago when the DCLG team responsible for both the AHGS and the PRS scheme run by Venn Partners were named winner of the Commercial Award in the prestigious 2015 Civil Service Awards.

“The AHGS was first developed at a time of house building market failure” said Williamson. “Today we see both a market arguably in rude health and changed Governmental priorities in terms of tenure choice”.

All business recommended to the Government by Affordable Housing Finance’s Credit Committee by 31 March will be eligible for a mixture of both long term EIB and bond funding.

THFC also expect to respond post March with a new funding product that, whilst not benefiting from a Government Guarantee, will take on board current market demands, including providing potential long term refinancing capabilities.

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