

For Immediate Release

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AHF and Bromford price EIB deal at 'Bronze Age' rates

The Government guaranteed aggregator Affordable Housing Finance (AHF) has today agreed a £27m drawdown for Bromford at a record low of 1.82%. The funding is for a weighted average life of 20 years and was around 12 basis points lower than the 20 year gilt.

AHF and Bromford took advantage of a fall in rates during since late April - amid widening concerns over global growth - to achieve its second 'sub 2%' transaction. It marks the third drawdown overall under AHF's £1bn EIB facility following transactions in April and May for GreenSquare and Flagship, both of which were also below the rate at which the UK government borrows.

Piers Williamson, AHF's Chief Executive said: "Bromford timed this deal extremely well - it comes on the day *The Times* reported that "borrowing costs are at their lowest 'since [the] Bronze Age"! We are pleased to have leveraged our long-term relationship with EIB - which itself goes back to the nineties - to secure such a fantastic rate. Such cost-effective funding will support Bromford in continuing its excellent work providing much needed quality affordable homes. We look forward to providing further low cost EIB funding to assist other UK housing associations as the rest of our £1bn facility is allocated and drawn."

Alison Cambage, Director of Treasury at Bromford said: "We were very keen at Bromford to utilise this form of government guaranteed borrowing through AHF to sit alongside our traditional bank borrowing and PP. It has been a smooth and professional experience with the team at THFC, the process of due diligence was extremely thorough and well managed. The rates we have achieved have been remarkable and we are delighted to have completed the latest drawdown from EIB at this record low rate. These additional funds will support us in our plans for the future in investing in the right homes to improve the lives of our customers".

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