

For Immediate Release

22 January 2016

AHF Retained Bond Sale

The Government guaranteed aggregator Affordable Housing Finance (AHF) priced a retained bond sale transaction today for Cornerstone Housing, the 1,300 unit Exeter based housing association.

The transaction priced at an all-in rate of 2.81% – just 0.32% above the government gilt rate – amongst the lowest cost long term fixed rate funding ever seen in the sector. AHF took advantage of a fall in gilt rates during the last month of almost 0.20% to comfortably achieve yet another sub-3% deal.

Piers Williamson, AHF's Chief Executive said: "this sale was extremely successful in generating a lot of investor interest, despite a backdrop of not insignificant market volatility. We are delighted that Cornerstone could participate in continuing strong demand for our bonds with a well-timed sale which will help them deliver much needed homes in Exeter".

Bob Weatherall, Deputy Chief Executive at Cornerstone said "we are really pleased to have secured £5m funding at 2.81% for a 28 year tenure and this will go a very long way in supporting our development programme over the next few years. This exceptional rate has been made possible through our participation within the Affordable Housing Finance loan scheme and we would like to sincerely thank everyone involved."

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