

Using a detailed process of exploration, review and verification



10 years of key credit ratios to generate an initial credit score



Key business considerations that influence the credit score



Credit Committee - reviews the outcome - can amend the credit score

- ✓ Adjusted EBITDA margin
- ✓ Adjusted EBITDA interest cover
- ✓ SH EBITDA interest cover
- ✓ Net Debt/EBITDA
- ✓ Net Debt/Voids
- ✓ Net Debt per Unit
- ✓ Liquidity
- ✓ Capacity

Category	Exposure
Level 1	12.0% of MORhomes total issuance
Level 2	10.0% of MORhomes total issuance
Level 3	8.0% of MORhomes total issuance
Level 4	6.0% of MORhomes total issuance
Fail	Does not meet the requirements

Until MORhomes has issued £500m, single name exposures are based on a notional £500m issue

- ✓ Quality of management
- ✓ Development programme
- ✓ Open market sales
- ✓ Mix of business activities
- ✓ Regulatory ratings
- ✓ Public credit rating
- ✓ Operational KPIs
- ✓ Quality and location of stock
- ✓ Fire safety, zero carbon
- ✓ Debt portfolio
 - Types of funding
 - Fixed/floating mix
 - Refinancing risk
 - Standalone swaps



Peter Shorthouse
NED & Chair of Credit Committee



Malcolm Cooper
SID, Chair of New Issue Committee



Ann Santry
NED



David Carton



Andrew Newberry

The Credit Committee can increase the rating by half a notch but reduce it to any level considered appropriate