MORhomes PLC

New Liquidity Facilities

Since its inaugural bond launch in 2019 MORhomes has established itself as one of the key funders of Housing Associations, building a portfolio of 20 loans to date, with a strong pipeline for the future, and with one of the strongest capital and liquidity positions in the sector.

The Company's LIBOR-based Liquidity Facility Agreement was due to expire on 19 February 2022. The Company has therefore taken advantage of the need to revisit the agreement for LIBOR transition purposes to put in place new longer-term replacement liquidity facilities based on SONIA and lasting up to a maximum of 6 years. The Company continues to have £10m of facilities in place. As it moves out of its start-up phase, the Company has built up a cash balance in excess of £3.1m as at 30 November 2021, and it is Company policy to hold this as liquid assets. It is also Company policy to seek to maintain sufficient liquidity to cover a failure to pay interest by all 3 of the Company's largest loans at the same time for a period of a year (or two consecutive semi-annual interest payments). Including the cash balance as at 30 November 2021, the new facilities of £10m provide over 2.5x the amount required under the policy.

The Company confirms that all interest payments due from borrowers in August 2021 (the last due date) were made in full and on time without exception.