

Press Release

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MORhomes taps bond in £13.2m loan deal for Soho

MORhomes PLC, the housing association bond aggregator owned by 67 housing associations, has tapped its £440m 2038 benchmark bond to lend £13.2m to Soho Housing Association. This represents MORhomes' first loan to a Group with less than 1,000 units.

The tap of the 13-year maturity means that MORhomes now has 22 borrowers and a total loan book of £526m.

MORhomes once again demonstrated its ability to execute deals quickly in a wide range of market conditions. In this case it was able to execute the deal in a traditionally quiet season for the markets, with strong demand from multiple investors, following on from S&P's affirmation of MORhomes' A- rating last week. As a result the tap was priced at a record tight spread for MORhomes of G+115.

Andrew Morton, Chief Executive Officer of MORhomes, said: "Markets continue to offer opportunities for borrowers who are able to move at pace. MORhomes' unique model of quick and efficient access to the markets is ideally suited to this. We are delighted to have been able to execute this deal for Soho within 48 hours of receiving the mandate, achieving a record low spread in the process."

Malcolm Cooper, Chair of MORhomes said: "We are pleased to welcome new borrower Soho as we continue to increase and broaden our community of borrowers and the size of our loan book. Our model of quick and efficient access to the market is proving more relevant than ever. Each new loan strengthens the platform and puts us in a better position to provide more loans in the future".

Jane Harrison, Finance Director of Soho Housing said: "We are delighted to work with MORhomes and have been impressed with the ease and speed of the whole process. Efficient use of security, including commercial property, is a key factor. The proceeds will support our acquisition of new homes in the centre of London and continuing investment in our existing properties, further strengthening our asset base".

Joe Atkinson, Associate Director of SFC said: "This is an important transaction for Soho Housing, providing long-term, fixed rate debt to the organisation. MORhomes' flexibility in key areas such as composition of chargeable security, speed to market and minimum borrower size proved attractive for Soho".

The sole Bookrunner on this tap issuance was Allia C&C.

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NOTES TO EDITORS

MORhomes

MORhomes is a unique and innovative borrowing vehicle for the UK social housing sector. It is constituted as a PLC and applies the highest standards of corporate governance. Its shares are owned by 67 not-for-profit UK housing associations. Its public debt is traded on the London Stock Exchange. It raises finance on the bond markets and lends it on to housing associations, who must be shareholders.

MORhomes provides its borrowers with

- Flexibility to borrow in amounts from £5m upwards - saving the cost of having to borrow larger amounts which might be more than is needed at any one time
- Quick access to the market, reducing uncertainty over the price of funds
- Flexibility on types of security offered and efficient use of security
- Immediate access to funds with up to a year to put security in place
- Simple documentation and reduced costs and resources in going to the market
- Minimal corporate financial covenants
- Transparent predictable credit process and annual credit limit.

MORhomes is 100% owned and controlled by housing associations. It is capitalized by equity and subordinated debt provided by its borrowers, and third-party junior debt.

MORhomes' first issue was completed in February 2019 enabling it to on-lend £260m. The loan portfolio has now increased to £526m. Its current borrowers are:

<u>Borrower Name</u>	<u>Borrower Group Name</u>
Aster Communities Ltd	Aster
Synergy Housing Ltd	Aster
EMH Housing and Regeneration Ltd	EMH
Hafod Housing Association Ltd	Hendre
Local Space Ltd	Local Space
Melin Homes Ltd	Melin
North Devon Homes	North Devon
Heart of Medway Housing Association Ltd	MHS
Pobl Homes and Communities Ltd (previously two loans, now consolidated)	Pobl
South Yorkshire Housing Association Ltd	South Yorkshire
Wandle Housing Association	Wandle
Thrive Homes	Thrive Homes
Origin Housing Limited	Origin
Eastlight Community Homes	Eastlight
Housing Solutions	Housing Solutions
Calico Homes	Calico
Broadacres Housing Association	Broadacres

Cornerstone Housing Ltd Broadland Housing Association Rochdale Boroughwide Housing Selwood Housing Society Soho Housing Association Ltd	Cornerstone Broadland RBH Selwood Housing Soho
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For more information, please contact Andrew Morton, CEO MORhomes
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Soho Housing Association

Founded in the 1970s, Soho Housing Association is a housing association that owns and manages 800 residential properties across Soho, Covent Garden, Bloomsbury, Farringdon, Queen’s Park and Victoria. With a mission to ensure that people can continue to live in central London, it provides social, affordable and market rented housing. In addition, the organisation owns 39 commercial properties in the city centre, the rent from which is reinvested towards its social purpose.

Soho Housing Association is registered with the Regulator of Social Housing as a registered provider, no. LH1321.

For more information, visit www.sohoha.org.uk/