



PENSION INSURANCE  
CORPORATION

## PENSION INSURANCE CORPORATION COMPLETES FURTHER INVESTMENT IN SOCIAL HOUSING

London, 23 May 2016 – Pension Insurance Corporation (“PIC”), a specialist insurer of defined benefit pension funds, has invested £40 million in secured debt issued by mhs homes, a social housing provider based in Kent. The transaction was done on a bilateral basis, with JC Rathbone Associates’ (JCRA) Social Housing team acting as arranger, and Altair Consultancy as advisors to mhs homes. PIC has invested c.£500 million in social housing through bilateral deals to date. At year-end 2015, PIC’s assets were £16.6 billion.

Key aspects of the transaction:

- £40m private placement, drawn in two stages over the next two years, giving mhs homes certainty of funding costs, whilst reducing the cost of carry
- Funding to help provide more than 400 new properties
- 34 year maturity (April 2050), to match PIC’s liabilities
- Secured on social housing properties

Bruce Shelmerdine, Finance Director at mhs homes said: “This funding will help provide over 400 new properties in the Medway and surrounding areas. The flexible arrangements agreed with PIC meet the requirements of our business plan and provides the long term funding to match our aspirations.”

Elizabeth Cain, Debt Origination Analyst at Pension Insurance Corporation, said: “We are of course delighted to have completed this transaction with mhs homes. The transaction meets mhs homes’ need for flexible, but fixed funding costs, and also meets our need for very long-term, secured cash-flows to match our liabilities. PIC continues to be an active lender to

housing associations and we expect to see more such deals as the sector responds to the recent regulatory changes.”

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**Notes to Editors:**

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**About Pension Insurance Corporation**

Pension Insurance Corporation plc ("PIC") provides tailored pension insurance buyouts and buy-ins to the trustees and sponsors of UK defined benefit pension funds. PIC brings safety and security to scheme members' benefits through innovative, bespoke insurance solutions, which include deferred premiums and the use of company assets as part payment. At year-end 2015 PIC had £16.6bn in assets and had insured 132,100 pension fund members. Clients include FTSE 100 companies, multinationals and the public sector. PIC is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN 454345). For further information please visit [www.pensioncorporation.com](http://www.pensioncorporation.com)