



PENSION INSURANCE
CORPORATION

PIC INVESTS £40 MILLION IN GREATWELL HOMES HOUSING ASSOCIATION

London, 8 April 2019 – Pension Insurance Corporation plc (“PIC”), a specialist insurer of defined benefit pension funds, has invested £40 million in debt issued by Greatwell Homes, a housing association based in Northamptonshire that was formerly called Wellingborough Homes. The funds will be used to develop 600 new affordable homes in the county. TradeRisks acted as sole financial advisor to Greatwell Homes, as well as acting as arranger and advisor for the private placement.

Greatwell Homes, which owns or manages more than 4,500 housing units in and around Northamptonshire, has been running since 2007, when Wellingborough Council transferred its housing stock to the housing association.

Key points of the transaction:

- £40 million size spot funding, split across four tranches, maturing in 2053, 2057 and 2058 for the remaining two tranches
- Drawdown deferred for up to three years, providing certainty of funding cost for the borrower
- The debt is secured by a pool of housing assets
- Maturity profile has been tailored to match PIC’s pension liabilities in years where it is difficult to source cashflows in the public bond markets
- Stable, secure, long-term cashflows, which are a good match for PIC’s pension liabilities

To date, PIC has invested almost £1.5 billion directly into social housing. The sector continues to be important for PIC to invest in.

Julie Robinson, Director of Resources at Greatwell Homes, said: “We are very pleased to have completed on this transaction and because of the deferred structure, we have certainty that future

funding will be delivered to us at a known cost. We can now confidently embark on delivering our new Corporate Plan development aspirations for 2019 - 2022 to build much needed new homes in and around Northamptonshire.

“PIC’s team were flexible in developing a funding structure that meets our needs and proactive in helping us complete the transaction in a short timescale.”

Marno Jooste, Debt Origination Manager at Pension Insurance Corporation, said: “We are very pleased to have achieved a great outcome for the team at Greatwell Homes and to support a housing association that generates about 90% of its income from social housing lettings.”

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Notes to Editors:

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About Pension Insurance Corporation

The purpose of Pension Insurance Corporation plc (“PIC”) is to pay the pensions of its current and future policyholders. PIC provides secure and stable retirement incomes through leading customer service, comprehensive risk management and excellence in asset and liability management. At year-end 2018, PIC had insured 192,100 pension scheme members and had £31.4 billion in financial investments, accumulated through the provision of tailored pension insurance buyouts and buy-ins to the trustees and sponsors of U.K. defined benefit pension schemes. Clients include FTSE 100 companies, multinationals and the public sector. PIC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN 454345). For further information please visit www.pensioncorporation.com