



PENSION INSURANCE
CORPORATION

PIC INVESTS A FURTHER £40 MILLION IN SOHA HOUSING AS PART OF A LONG-TERM RELATIONSHIP

London, 28 October 2019 – Pension Insurance Corporation plc (“PIC”), a specialist insurer of defined benefit pension funds, has completed a second £40 million long-dated, senior secured private debt investment with Soha Housing, a regulated housing association based in South Oxfordshire. The investment follows an initial £40 million private placement completed in 2018 and will see the housing association build 250 homes per year as part of its development programme. The investments demonstrate an increasing trend within the social housing sector of building long-term relationships with institutional investors.

Key aspects of the transaction:

- Funding will be used to support Soha’s development programme of 250 new homes per year
- £40 million long-dated funding, maturing in 2051
- Maturity tailored to match PIC’s pension liabilities in years where it is difficult to source cashflows in the public bond markets
- Draw down is fully deferred until 2021, allowing the borrower to have certainty of funding whilst reducing the cost of carry

Soha Housing is an award winning, community-based mutualised housing association working in and around Oxfordshire. It provides almost 7,000 homes for affordable rent and shared ownership for people who prefer to rent or who can't afford to rent or buy in the private sector. Any surplus it makes is reinvested to develop new homes and look after local neighbourhoods.

Kate Wareing, Chief Executive of Soha Housing said: “We are delighted to have secured this funding, working with PIC’s knowledgeable team, which is evidence of the strength of Soha, and our investors’ confidence in our future performance. The funding will support Soha’s development activity to deliver 250 new homes per year within our local communities”.

Liz Cain, Senior Debt Origination Manager at Pension Insurance Corporation, said: “We are delighted to have worked with Soha on another transaction. Soha provides housing in areas where house prices are generally unaffordable and these funds will support the provision of hundreds of affordable rent and low cost home ownership homes. This is another example of PIC’s business model moving capital through the economy to areas where it is vitally needed.”

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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 half year 2019, PIC had insured 218,000 pension scheme members and had £39.6 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