

Case Study

DTP

Mid-Wales Housing Association

Private Placement Funding 2018

Mid-Wales Housing Association was established in 1975 and has more than 1600 properties throughout Powys and Ceredigion, as well as a few properties in Shropshire.

Objective

DTP were asked to approach the capital markets to raise £30m of long-term funding.

What we did

Following a detailed assessment of funding requirements, including consideration to repaying some existing debt where covenants were going to prove to be challenging over coming years, a decision was made to approach the capital markets. A detailed funding memorandum was issued in September 2018 and the proposal was over-subscribed by 200%.

What we achieved

Given the uncertainties around Brexit, the client was keen to get the deal priced in 2018 with initial close and drawdown in early January 2019.

Notwithstanding the market difficulties, an all-inclusive cost of funds of 3.76% was secured over an average duration of 30 years.



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MID-WALES HOUSING

Yn barod **amdani** Equal to the challenge

Mid-Wales identified a need to amend its funding structure to remove restrictive covenants and provide greater long term certainty over funding and interest rate risk. At the same time the funding needed to provide freedom and flexibility to deliver a diverse and active growth strategy. We found DTP and Clive Eccleston in particular, very proactive in securing the right deal for us. We now have a funding structure that provides certainty over a core amount of our funding at a very attractive long term interest rate. Overall we are very happy with the service provided by DTP.

Charles Brotherton, Director of Finance, Mid-Wales Housing Association

A different perspective