

Government investment supports M&G Shared Ownership Fund

The Government's housing agency, Homes England, has agreed a £10 million investment with M&G Investments to support the launch of its new Shared Ownership Fund.

Homes England's commitment to the fund is part of its aim to provide investors with greater confidence that housing, including shared ownership, has strong government backing and can play a more prominent part in residential investment strategies.

The recoverable investment from Homes England will help accelerate the delivery of 2,000 affordable homes through M&G's partnership with The Hyde Group. The partnership will provide Hyde with the capital to grow its development ambitions and build additional homes in the areas it serves.

The fund has so far attracted £215m of initial investment from two local authority pensions schemes, Hyde and two M&G client funds. The fund forms part of M&G's established residential platform, alongside the £1 bn UK Residential Property Fund established in 2013.

Homes England is keen to support the growth and evolution of housing in institutional portfolios. This is the second time that the government's housing agency has supported M&G, after it provided funding for the construction of over 500 private rental homes, which were subsequently acquired by M&G's UK Residential Property Fund in 2013. The establishment of funds such as the M&G Shared Ownership Fund provide institutional investors with the structures they need to invest in affordable housing.

Gordon More, Interim Chief Executive at Homes England, said:

"Securing new institutional capital to increase the delivery of new affordable homes is a priority for Homes England. Today's investment is a signal to both domestic and international institutional capital that the government supports sustainable long-term investment in affordable housing to meet the needs of communities across the country.

"M&G has been innovative and successful investing in both market rent and affordable housing. We welcome the opportunity to work with M&G again and to support our Strategic Partner, Hyde. We look forward to seeing the fund grow and provide access to high quality new homes."

Alex Greaves, Head of Residential Investment at M&G, said: "Well managed shared ownership is a brilliant first step onto the housing ladder for aspirational homeowners. As trusted investors with access to deep pools of client capital, we are fully committed to innovating and improving standards – adding scale and efficiency to the Fund – as we have done in the private rented sector.

“Working in partnership with Homes England is a great example of how the private and public sector can combine forces to make a positive impact on this under-served sector.”

For more information about the fund, please contact:

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Notes to editors:

About M&G Investments

M&G Investments is part of M&G plc, a savings and investment business which was formed in 2017 through the merger of Prudential plc’s UK and Europe savings and insurance operation and M&G, its wholly owned international investment manager. M&G plc listed as an independent company on the London Stock Exchange in October 2019 and has £339 billion of assets under management (as at 30 June 2020). M&G plc has over 5 million customers in the UK, Europe, the Americas and Asia, including individual savers and investors, life insurance policy holders and pension scheme members.

For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate.

M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

M&G plc has committed to achieve net zero carbon emissions on its total book of assets under management and administration by 2050 and committed to reduce operational carbon emissions as a corporate entity to net zero by 2030.

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