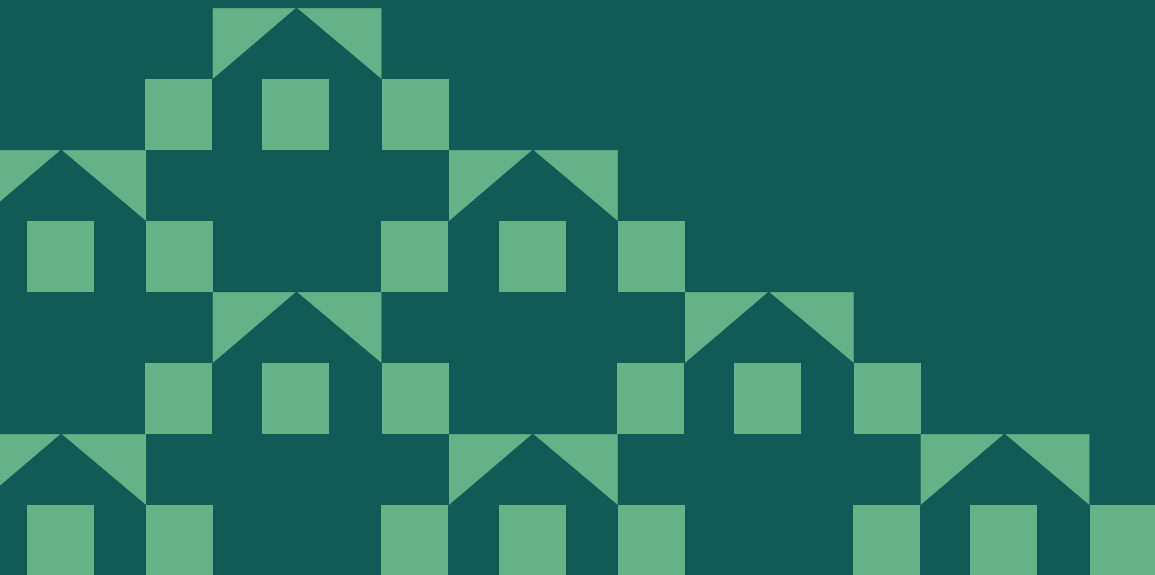




Retrofit Funding Scheme

In partnership with the National Wealth Fund (NWF)



About THFC and NWF

About The Housing Finance Corporation (THFC)



The Housing Finance Corporation (THFC) has been the UK's leading affordable housing aggregator for more than three decades. Set up in 1987, THFC issues bonds in the sterling capital markets and on lends proceeds to housing associations.

We are a specialist, independent mutual finance company that is committed to providing funding to housing associations at the best possible terms. Surpluses are retained and reinvested to ensure we can continue providing competitively priced funding long into the future.

We have a proven track record in sustainable finance having launched one of the earliest green finance products for funding retrofit and sustainable developments.

Priya Nair

Chief Executive

"THFC is pleased to build on its heritage of offering green finance to the social housing sector through partnership with NWF. The Retrofit Funding Scheme offers housing associations the UK's only institutional investor backed, long-term unsecured retrofit loan."

About The National Wealth Fund (NWF)



The National Wealth Fund (NWF) was transformed from the UK Infrastructure Bank (UKIB) on 14th October 2024. The NWF has an expanded remit beyond infrastructure in support of the Government's industrial strategy.

With additional financial capacity and an enhanced risk budget, the NWF is capitalised with £27.8bn to mobilise private capital around the Government's strategic priorities, enabling the market to invest with confidence in clean energy and growth industries. The NWF is wholly owned by HM Treasury but is operationally independent from government. The development of this guarantee product with THFC forms part of ongoing efforts to improve financing to the social housing sector, a fundamental pillar of the Government's warm homes plan.

John Flint

NWF CEO

"This is another example of the NWF working collaboratively with the private and public sector to provide practical solutions to complex financing problems. The launch of a long-term, attractively priced, unsecured offer into the market by THFC, will accelerate uptake and increase the ambition of projects in retrofit. Our support for THFC builds on our work with banks, helping mobilise important private capital into social housing retrofit which will give confidence to both the sector and associated supply chains."

About Retrofit Funding Scheme

What is the scheme?

New £150m guarantee program designed to provide **low-cost unsecured funding** for the retrofitting of social housing. The program includes two types of loans with 15+ year maturities issued via the sterling capital markets.

To be eligible housing associations (HAs) will need to put in place **two loans**:

- **Loan 1:** Unsecured retrofit facility guaranteed by NWF
- **Loan 2:** Secured funding for general corporate purposes

Why is the scheme important?

Supports the sector with low-cost, unsecured funding to help HAs fulfil their retrofit obligations. The capital will be leveraged by HAs to reduce carbon emissions, lower tenant expenses, and improve the quality of the United Kingdom's social housing stock.



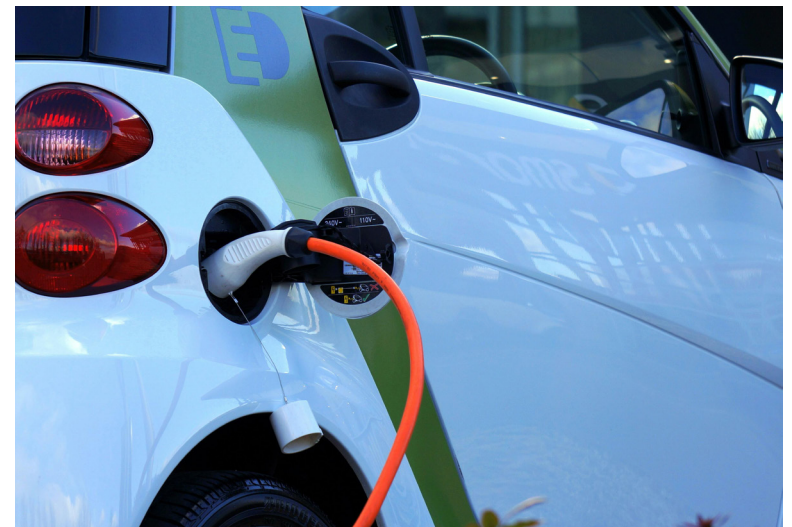
Retrofit Funding Scheme Summary Terms



	Unsecured loan guaranteed by NWF	Secured loan
Purpose	Funding of retrofit spend incurred up to 5 years from drawdown See eligible measures section on slide 5	General corporate purposes, including refinance
Loan Split	50% of the total loan amount	50% of the total loan amount
Loan Amounts	Minimum £6m Maximum £100m	
Minimum Security Requirements	Second-ranking security over the assets charged in favour of TSF2 for the secured loan No unencumbered asset test	Minimum 110% EUV-SH and/or Minimum 120% MV-STT No net income cover test on security
Repayment	Bullet	
Maturity	15-17 years	
Reporting Requirements	<ol style="list-style-type: none"> 1. Annual sustainability report in a format based on the criteria outlined under the Sustainability Reporting Standard for Social Housing. 2. Retrofit Works Reports (Loan 1 only). 	
Lending Entity	THFC Sustainable Finance (TSF)	THFC Sustainable Finance 2 (TSF 2)

Eligible Measures For Retrofit Spending

- Low carbon heating
- Double and triple glazing
- Insulation - building fabric
- Small-scale renewable energy
- Building light and heating controls
- Low energy lighting
- Ventilation / cooling measures
- Resilience measures
- Water efficiency measures
- Energy efficiency equipment & EV charging infrastructure
- Biodiversity / habitat creation



Contact THFC



If you're an existing client: To find out more about THFC's Retrofit Funding Scheme, please contact your Relationship Manager.

If you're a new client: Please contact info@thfcorp.com and we will be in contact shortly to discuss your needs in more detail.

For more information: To find out more about THFC, visit our website www.thfcorp.com



Gavin Richards
Head of Relationship Management
gavin.richards@thfcorp.com



Hedley Hadfield
Relationship Manager
hedley.hadfield@thfcorp.com



Sharon Woodward
Relationship Manager
sharon.woodward@thfcorp.com



Max Watson
Relationship Manager
max.watson@thfcorp.com



The Housing Finance Corporation Limited

