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ANZ supports Community Finance bond pledge to fund affordable housing

ANZ Bank NZ has partnered to support Community Finance, which seeks to raise \$100m for the construction of new affordable housing in 2021, via the issue of community finance bonds.

Community Finance is an investment platform that brings together investors with Community Housing Providers to build affordable homes.

It has launched The Aotearoa Pledge to raise \$100 million, and has secured pledges from several financial institutions, of which ANZ is the first major bank.

The Projects may include affordable housing for owner occupation, social rental housing and shared equity schemes with community housing providers. Pledges are subject to reviewing each investment's final terms.

ANZ Bank's head of sustainable finance, Dean Spicer said the proposed bond issuance is an innovative initiative aimed at increasing the supply of affordable housing and further supports the development of New Zealand's impact investment market.

"Bonds such as this play an important role in mobilising capital to increase the amount of housing available via community housing providers and deliver improved outcomes for our communities," he said.

"Providing access to affordable, liveable and sustainable housing is an important objective for ANZ, and enables other market participants to foster the market for community housing.

"This issue will give Community Finance the ability to expand potential funding sources available to community housing providers and allow ANZ the opportunity to consider new residential housing projects, which may be suitable for direct investment or for distribution of bonds to capital markets investors."

James Palmer Chief Executive of Community Finance said: "We are delighted to partner with ANZ who are leaders in scale and capability in the New Zealand Bond market and who share our passion for growing impact investment in Aotearoa.

"This partnership delivers a win for investors and Community Housing Providers around the country. The need for more affordable homes has never been greater and we applaud ANZ for taking another leading role in the sustainable finance space."

ANZ has been a leader in social and sustainable finance solutions. It has led several bond issues for Kāinga Ora to help fund investment in new and upgraded social housing, and worked with Contact Energy to develop its \$1.8 billion Green Borrowing Programme.

ANZ also has also acted as Green bond coordinator for a number of leading New Zealand bond issuers including, Argosy Property Ltd, Auckland Council, Mercury New Zealand Ltd, and Precinct Properties New Zealand Ltd.

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