

Metropolitan Funding PLC

22 June 2016

Metropolitan Housing Trust Limited and Clapham Park Homes Limited announce 'In principle' agreement for a Transfer of Engagements

Metropolitan Housing Trust Limited (MHT) and Clapham Park Homes Limited (CPH) (an existing wholly owned subsidiary) have announced that their boards have approved an agreement in principle under which CPH will Transfer (the Transfer) its Engagements to MHT.

The Transfer will complete subject to the consent of key stakeholders to MHT and CPH, and following resident communication, due diligence and regulatory approvals.

The Transfer will allow for the accelerated regeneration and redevelopment of the Clapham Park Estate in South London delivering on the original Stock Transfer undertakings. The Board of MHT sees the proposed Transfer as credit risk positive for our lenders in terms of streamlining and simplifying our group, with marginal differentials in the key financial metrics of the combined entity.

Work will commence immediately to make arrangements for the planned Transfer, projected to be concluded by the end of September 2016. As key partners for both organisations, lenders and investors will be an essential part of that process. We will shortly make contact seeking consents where required.

MHT looks forward to continuing its positive stakeholder relationships in future years following the completion of the Transfer.

Further progress updates on the proposed Transfer will be issued in due course.

Enquiries

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This information for investors is also available on our website:

<https://www.metropolitan.org.uk/investors/>