

PRESS RELEASE

ARA Venn reaches €300 million of LP capital for its latest fund, VeCREF II

United Kingdom, 29th November 2021 - ARA Venn has held a further closing for its latest whole loan real estate debt fund, Venn Commercial Real Estate Fund II¹ (“VeCREF II”), which has now surpassed €300 million. Capital commitments were received from a variety of institutional clients including insurance companies and pension funds, sourced from the UK, Germany and Canada.

VeCREF II invests in whole loans secured by commercial real estate assets across Western Europe, targeting a net IRR of mid-to-high single digits with quarterly income distributions to investors. VeCREF II’s investment strategy targets mainly whole loans secured by assets with strong fundamentals in France, Germany, Ireland, the Netherlands, Spain and the United Kingdom. The Fund takes advantage of valuation repricing and the continued withdrawal of traditional lenders by investing in compelling opportunities where there is a gap between capital demand and supply.

The team has made over €187 million of high relative value investments across seven loans to date and is closing on an additional €32 million loan with another high-quality borrower imminently. Full deployment is expected to be achieved over the next four to six months. VeCREF II loan investments have to date included an office property in Greater London, UK, a granular PRS portfolio across Spain, an office building in Dublin, Ireland and a purpose-built student accommodation asset in Malaga, Spain. The portfolio continues to display an attractive return at a relatively low average LTV of 61.5%, reflective of the favourable market conditions for real estate debt.

VeCREF II is on track to reach its target raise of €400 - €500 million in the first half of 2022, based on strong investor appetite from global institutions.

Paul House, Managing Partner and Head of the Commercial Real Estate team, commented, “We are pleased with the continued success of VeCREF II and, in particular, with the quality of the portfolio we have secured for our investors, as well as with the strong pipeline transactions we are reviewing for the Fund”.

¹ VeCREF II is an authorised AIF in Luxembourg, via a hosted AIFM authorised and regulated by the Luxembourg regulator.

Beatrice Dupont, Partner and Portfolio Manager for the VeCREF fund series said, “We are once again delighted with the demand for this round of fundraising and grateful for the support of our latest investors. We are pleased that our investor group includes a variety of institutional firms and welcomes several new investors from the German insurance industry. We look forward to building upon the important relationships we have fostered for the continued success of the Fund.”

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About ARA Venn

ARA Venn (the trading name of Venn Partners LLP) (“the firm”) is an investment manager in European private real estate debt. The firm specialises in creating investment products that provide investors with access to compelling risk-adjusted returns, whilst satisfying borrower demand for competitive, efficient and transparent loan product. ARA Venn serves the investment needs of a diverse range of government entities, leading global institutions and private investors.

Founded in 2009, the firm has AUM and active mandates totalling €11.3 billion. With offices in the UK, Spain and an affiliate office in the Netherlands, ARA Venn comprises a team of experienced professionals that pull together credit origination, underwriting, liability structuring and risk management skills with a deep understanding of investor and borrower requirements.

ARA Venn is the credit subsidiary of ARA Asset Management Limited (“ARA”). ARA is the largest real assets manager in Asia Pacific with approximately US\$95 billion in gross assets under management by the Group and its associates. ARA Group operates a global platform with a focus on APAC, managing public and private investment funds that invest across traditional and New Economy real estate assets spanning office, logistics, retail, residential, hospitality, and data centres, as well as private real estate credit and infrastructure. ARA’s vertically integrated business includes development and value-add asset management capabilities, an in-house capital raising team, and property management expertise in local markets where ARA invests and manages assets. With a resolute focus on creating sustainable value, ARA manages funds on behalf of many of the world’s largest pension funds, sovereign wealth funds and financial institutions.

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