

**ARA VENN LAUNCHES NEW 10-YEAR GBP350 MILLION BOND SERIES UNDER THE AFFORDABLE HOMES GUARANTEE SCHEME**

***Loans in excess of £250 million funded by the bond will support the delivery of over 1,500 new affordable homes in England***

**United Kingdom, 4 December 2023** - ARA Venn, part of ESR Group and a leading investment manager with a strong focus on European residential real estate, is pleased to announce the funding of four new loans totalling GBP256.5 million under the Affordable Homes Guarantee Scheme (“AHGS”), which ARA Venn manages for the UK Government. The loans have a 10-year tenor and were funded from the issuance of GBP350 million bonds under a new bond series maturing in December 2033 by Saltaire Finance plc (“Saltaire”), the funding vehicle for AHGS. The four new loans to housing associations Nottingham Community Housing Association (NCHA), Thirteen Housing Group, Watford Community Housing and Yorkshire Housing will support the development of over 1,500 new affordable homes across the North East, East Midlands and East of England, and the £93.5 million balance of the bond issuance will be retained to fund other successful loan applications currently being processed.

The bond issuance, which is guaranteed by the UK Government, achieved an attractive spread of 55 basis points over Gilts. The interest rate on the loans of 4.818% reflects the competitive pricing achieved under AHGS, highlighting its benefits to the sector. With many housing associations expressing a preference for shorter tenors recently, this new 10-year maturity demonstrates the scheme’s flexibility and ability to adapt to meet borrowers’ requirements. Complementing the existing 30-year tenor bond available under the scheme, this gives borrowers options on loan maturity whilst benefitting from AHGS’s competitive pricing.

**Oriane Auzanneau, Deputy Portfolio Manager for AHGS and Managing Director at ARA Venn, commented:** “We are delighted to be able to support our borrowers with the delivery of their affordable development pipelines, bringing over 1,500 much needed new homes to their local communities. It is great to now be able to offer 10-year funding under this new bond series, which was developed to support those borrowers expressing a preference for shorter maturities. Borrowers accessing funding under AHGS now have more options available to meet their treasury requirements whilst taking advantage of the competitive pricing of the scheme.”

**Naomi Dobraszczyc, Director of Finance and Resources at NCHA, commented:** “At NCHA we are developing 1,850 homes over the next five years. We remain committed to providing more affordable homes for our communities across the East Midlands, to help fulfil an ever growing need during the cost of living crisis. This is NCHA’s second round of funding via the AHGS scheme. Our main driver for returning was the excellent value we know we can rely on. And, as a repeat borrower, we benefited from a streamlined application process.”

**Jane Castor, Chief Finance Officer at Thirteen Housing Group, commented:** “As a strategic partner to Homes England with an ambitious development programme over the next five years, we are pleased to have secured funding to support the financially viable delivery of high quality and modern homes in our communities.”

**Paul Richmond, Deputy Chief Executive at Watford Community Housing, commented:** “We are delighted to be working with ARA Venn in securing a second round of funding with them following the success of our first funding round in November 2021. This additional funding round provides value for money to Watford Community Housing and it will help us deliver on our growth aspirations in South West Hertfordshire. We are committed to sustainable growth, delivering much-needed new homes and enhancing our local community areas.”

**Rob Parkes, Director of Finance at Yorkshire Housing, commented:** “We’re delighted with the outcome of this deal and with the support we received from ARA Venn throughout. They were open to our ask of a 10-year maturity, which allowed us to take advantage of the dip in the gilt curve and also worked with the profile of the rest of our funding portfolio. This new funding is a positive step forward for Yorkshire Housing and the wider sector, enabling us to deliver on our plans to provide more affordable homes for people across Yorkshire.”

#### **NOTES TO EDITORS:**

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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 assets under management (AUM) and active mandates totalling over GBP10 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”), which is part of the ESR Group (the “Group”), APAC’s largest real asset manager powered by the New Economy and the third largest listed real estate investment manager globally. With approximately US\$150 billion in total AUM, the Group’s fully integrated development and investment management platform extends across key APAC markets, including China, Japan, South Korea, Australia, Singapore, India, New Zealand and Southeast Asia, representing over 95% of GDP in APAC, and also includes an expanding presence in Europe and the U.S. It provides a diverse range of real asset investment solutions and New Economy real estate development opportunities across its private funds business, which allow capital partners and customers to capitalise on the most significant secular trends in APAC. ESR is the largest sponsor and manager of REITs in APAC with a total AUM of approximately US\$45 billion. Its purpose – Space and Investment Solutions for a Sustainable Future – drives it to manage sustainably and impactfully and it considers the environment and the communities in which it operates as key stakeholders of its business. Listed on the Main Board of The Stock Exchange of Hong Kong, ESR is a constituent of the FTSE Global Equity Index Series (Large Cap), Hang Seng Composite Index and MSCI Hong Kong Index.

More information is available at [www.ara-group.com](http://www.ara-group.com), [www.esr.com](http://www.esr.com).