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VENN APPOINTED BY THE DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT AS THE DELIVERY PARTNER ON THE £3.5BILLION PRIVATE RENTED SECTOR GUARANTEE SCHEME

Venn will operate this landmark scheme that will increase investment to create a bigger, better private rented sector

Venn Partners, an asset manager of real estate and other secured credit, is pleased to announce that, following a competitive public procurement process, it has been appointed by the Department for Communities and Local Government to operate the £3.5 billion 'Private Rented Sector Guarantee Scheme' (the Scheme).

Venn shall be responsible for establishing and managing the Scheme, including the origination, underwriting and on-going management of the loans, and developing and managing a new Government guaranteed bond programme to efficiently fund them.

The Scheme aims to accelerate the growth of investment in the private rented sector by institutional investors by providing them access to long term loans that will increase the investment viability of projects to develop new private rented sector homes, initially for £3.5bn with an option to increase it up to £6.5bn.

Unlocking this new investment will increase the supply of new, purpose built and professionally managed private rented sector homes that will help improve standards and increase choice for tenants. The private rented sector is now England's second largest housing tenure and its further expansion is key to addressing the UK's housing needs.

The Scheme is targeting large-scale private sector projects worth over £10m, which will be held within the private rented sector for the length of the guarantee and Venn believes there will be a strong level of interest from potential borrowers.

Venn has completed thirteen transactions over the past year predominantly in the UK but also on the European continent. The value of the transactions totals some £1.2 billion in the real estate market. Most recently the firm funded HUB's £97.5m 360-home development at London's Royal Docks and earlier this year Venn acquired a €500 million Dutch residential mortgage portfolio from GE Artesia Bank.

Gary McKenzie-Smith, CEO and Managing Partner of Venn Partners, comments:

"We are delighted to have been appointed as the delivery partner for this important scheme. The mandate is underpinned by Venn's presence and expertise in delivering term financing solutions and appropriate access points that allow a range of institutional investors to provide the much needed supply of credit into direct lending markets. We combine the real estate and credit underwriting expertise, capital markets track record and strength of investor relationships that is required to ensure the Private Rented Sector Housing Guarantee scheme has a strong start and is a long-term success."

Paul House, Head of Real Estate and Managing Partner of Venn Partners, added:

"Attracting significant institutional investment to the private rented sector, which is now England's second largest housing tenure, is critical to underpin its further expansion, improve standards and tenant choice and help increase the supply of new, purpose built homes to help address the UK's overall housing needs."

Housing and Planning Minister Brandon Lewis, said:



“We’ve pulled out all the stops to get the country building since 2010, including by creating a bigger better private rented sector.

“Today’s deal with Venn Partners will secure a £3.5billion investment in delivering homes specifically for private rent to ensure a range of developers across the industry get to expand into this growing market.

“This is an exciting and important move that will help strengthen the private rented sector so that it meets the needs of tenants well into the future. But this wouldn’t have been possible without the tough economic decisions we’ve had to make to restore confidence in our economy, and it’s this strong record that has unlocked this funding.”

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