

16th October 2020

## **£3 BILLION AFFORDABLE HOUSING GUARANTEE SCHEME AWARDED TO ARA VENN**

### ***New Government Guaranteed Lending Scheme To Support Affordable Homes***

Investment manager ARA Venn is pleased to announce that, following a competitive public procurement process, it has been appointed by the Ministry of Housing, Communities and Local Government (MHCLG) to manage a new £3 billion Affordable Housing Guarantee Scheme (the Scheme).

Housing Minister Christopher Pincher MP unveiled the exclusive concession agreement with ARA Venn that will provide £3 billion of cost-effective long-term loans, of up to 30 years, to registered providers developing new affordable homes.

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

The Scheme is available to finance social rent, affordable rent and shared ownership housing in England, in accordance with the Schemes rules. This new investment is expected to support the delivery of around 17,000 new affordable homes. This contributes significantly to the supply of such critical housing, which has an even greater imperative at a time of economic uncertainty. Whilst initially for £3 billion, there is an option to increase the Scheme up to £6 billion.

Housing affordability is a global issue and the need to provide modern affordable homes for lower income families is one of the highest priorities for many governments. Social housing tenants in England spend on average 11 years in the home they rent. Providing these families with the security of tenure brings many benefits to the communities they live in and contribute to.

ARA Venn already manages the successful £3.5 billion PRS Guarantee Scheme, a similar lending scheme focussed on the private rented sector, on behalf of MHCLG and is delighted to continue that relationship with this new Scheme.

**Richard Green, Partner, Portfolio Manager of the Scheme at ARA Venn commented:** “We are delighted to have been appointed as the manager of the new Affordable Housing Guarantee Scheme. The scheme will offer registered providers very attractively priced long-term loans to support the vital housing that they provide. We look forward to establishing the scheme as a key partner to support the vision and ambition of the social housing industry. The ARA Group has a strong commitment to ESG, firmly believing in long term responsible investment and delivering a positive social impact from this scheme is a reflection of that.”

**Paul House, Managing Partner at ARA Venn commented:** “This exciting and timely new scheme will form an integral part of our extensive residential lending activities within Europe, a core strength within our business where we provide both commercial lending and residential mortgages and which encompasses all sectors - social housing, market rent and owner-occupied. Governments have a crucial part to play in

housing markets, and ARA Venn is very proud to continue its long-standing relationship with the UK Government.”

**Housing Minister Christopher Pincher MP said:** “Ensuring everyone has the opportunity to access a secure, affordable home is central to the mission of this Government and our £3 billion Affordable Homes Guarantee scheme will play a vital part in achieving this.

“ARA Venn’s wealth of investment expertise will prove invaluable to delivering another 17,000 much-needed new affordable homes to families across the country.”

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**About ARA Venn**

ARA Venn (the trading name of Venn Partners LLP) (“the firm”) is an investment manager in European real estate private 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 in excess of £5 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.

In 2020, Venn welcomed ARA Asset Management Limited (“ARA”) via its UK subsidiary, ARA UK Asset Management Limited, as a majority shareholder to help drive the firm’s next phase of growth, with Venn’s management team retaining a significant ownership stake. Under the transaction, Venn Partners re-branded as ‘ARA Venn’.

ARA is a leading Singapore-based APAC real assets fund manager with a global reach. With S\$110 billion<sup>1</sup> (£62 billion) in gross assets under management as at 30 June 2020, ARA manages listed and unlisted real estate investment trusts (REITs), private real estate credit and equity funds and infrastructure funds in 28 countries. As part of its investor-operator philosophy, ARA also operates a real estate management services division with local teams to manage its assets worldwide.

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<sup>1</sup> Includes assets under management by ARA Asset Management Limited and the Group of companies (“ARA Group”) and its Associates as at 30 June 2020.

ARA Venn is ARA's second investment partnership in Europe following its acquisition in July 2019 of a majority stake in Dunedin Property Asset Management Ltd (renamed ARA Dunedin) to invest in and manage real estate equity assets in the United Kingdom.

For more information, please visit <http://www.ara-group.com>.  [Follow ARA on LinkedIn](#)