



**ARA VENN ANNOUNCES NEW GBP50 MILLION LOAN FUNDED UNDER THE
AFFORDABLE HOMES GUARANTEE SCHEME**

***The loan, funded from another successful bond sale, will support the delivery of
much needed new affordable homes in England***

United Kingdom, 24 August 2022 - 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 a new GBP50 million loan under the Affordable Homes Guarantee Scheme ("AHGS"), which ARA Venn manages for the UK Government. The loan was funded from the issuance of GBP100 million of new bonds under the existing May 2052 bond series by Saltaire Finance plc ("Saltaire"), the funding vehicle for AHGS; of this, GBP50 million was retained to fund future loans and GBP50 million was sold and the proceeds on-lent to Grand Union Housing Group ("GUHG") to support the development of over 300 new affordable homes.

The sale of the bonds, which are guaranteed by the UK Government, was successfully completed in a challenging capital market and economic backdrop achieving an all-in cost of around 3.2%. Its competitive pricing, at Gilts plus 72bps, highlights the benefits of AHGS for the sector, with this attractive cost of borrowing passed on directly to the borrower.

Oriane Auzanneau, Deputy Portfolio Manager for AHGS and Director at ARA Venn, commented: "We are delighted to have worked with Grand Union Housing Group to provide this 30-year loan which will support the development of over 300 much needed new affordable homes in GUHG's local communities. The successful sale of the bonds in a challenging market backdrop shows the benefit of utilising the AHGS programme, allowing borrowers to secure lower cost of funds for the long run."

Chris Bellamy, Director of Finance & Treasury at Grand Union Housing Group, commented: "We are extremely pleased with the outcome of this funding round, achieving competitive pricing in a challenging capital market that is only likely to become more challenging over the coming months. The funding will not only enable us to fund our ongoing commitment to annually develop up to 400 homes over the next five years but will also, in the short term, limit our exposure to increases in interest costs from the external rate environment."

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NOTES TO EDITORS:

For more information contact:
ARA Venn Corporate Development
Catherine Riley
Catherine.Riley@ara-venn.com
T +44 207 073 9350

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 GBP9.9 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 US\$140.2 billion in total assets under management (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 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, www.esr.com.