



**CHEYNE CAPITAL CLOSES CRECH III FUND WITH SUBSCRIPTIONS EXCEEDING TARGET BY NEARLY 20 PER CENT**

**London, 22 March 2016** – Cheyne Capital Management (UK) LLP (“Cheyne Capital”) today announced it has closed its Cheyne Real Estate Credit Holdings Fund III (“CRECH III”) above target at approximately \$770 million, an 18 per cent increase from its initial goal of \$650 million, bringing the net assets of Cheyne’s Real Estate division to \$2.1 billion. CRECH III is the third fund in Cheyne Capital’s real estate direct lending strategy, which started in 2011, following the launch of the Cheyne Real Estate Debt Fund, focused on CMBS and RMBS, in 2009. CRECH III provides real estate loan solutions to help fill the gap left by European banks as they continue to retreat from lending and focus on asset disposals and recapitalisation. Since the launch of the CRECH programme in 2011, Cheyne has deployed over \$1.5 billion in private credit investments and special situation opportunities. The invested sum is spread across 38 different deals. Of these deals, the funds have realised seven investments with a realised profit (comprising coupon and profit participations) of \$67 million against an investment sum of \$248 million (representing a total return of 27%).

“We have known for a long time that there are ample opportunities in European real estate lending, and the closure and oversubscription of our third fund focused on this sector is continued proof that it remains ripe for investing. We plan to launch a fourth fund later this year,” said Ravi Stickney, Partner and Head of Real Estate for Cheyne Capital. “Europe’s continued emergence from the financial crisis as it rights the ship will fuel a strong pipeline of compelling deals in this sector, which will be led by an increased demand for alternative credit needed to fill the void left by the big banks retreating from this space”.

“Our long-term focus on European real estate has allowed us to build a large and experienced team that can identify and fund attractive opportunities in the sector, and the closure of our third fund in this space above target is an excellent testament to this ability.” said Stuart Fiertz, Co-Founder, President and Director of Research for Cheyne Capital.

Cheyne Capital is a leading alternative investment manager based in the U.K. with a major focus on the real estate debt sector. Its Real Estate division is headed by Ravi Stickney and consists of a further 12 dedicated professionals with approximately 140 years of combined experience in European real estate. The investment approach combines a comprehensive valuation of the underlying residential and commercial property, and a detailed analysis of the debt structure in order to identify investments offering attractive yields and robust downside protection.

**ENDS**

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## **About Cheyne Capital**

Launched in 2000, Cheyne Capital is one of Europe's leading alternative investment managers. Cheyne invests across the capital structure from the senior debt to the equity of corporates and real estate. With an investment philosophy grounded in rigorous fundamental analysis, the firm's main areas of expertise are: Real Estate Debt, Social Property Impact, Corporate Credit, Convertible Bonds, Event Driven and Equity Investing.

Cheyne Capital Management (U.K.) LLP is authorised and regulated in the U.K. by the Financial Conduct Authority, and registered as an Investment Adviser in the U.S. by the Securities and Exchange Commission.