

Investment funds BBRC and Cheyne Social Property Impact develop new rental housing model for Bristol

- **Partnership develops new model to fund development of 40 new homes in Southmead, Bristol**
- **Homes ear-marked for families and key workers who are struggling to find viable, high-quality and long-term housing options in the city**
- **Investment is part of Cheyne's commitment to partner with regional authorities, local councils and housing groups to provide solutions that increase national housing supplies**

Bristol, 24th August 2017: The Cheyne Social Property Impact Fund ("Cheyne") will finance a Bristol-based housing project to develop 40 new homes in the Southmead-based Elderberry Walk Scheme that will see 161 new properties built. The investment has been secured by Bristol & Bath Capital (BBRC), a regionally-focused public benefit investment company leading the project's development, which seeks to address the lack of suitable housing options for many in the city.

The new homes will be built using a new rental model specifically for families and key workers living and working in the Bristol area for whom house purchase is no longer an option. As average house prices outpace wage growth for key workers by 10 percentage points nationally, in Bristol, one in four are priced out of home ownership.

The funding will facilitate the development of the properties that will then be leased to BBRC on a 40-year term with a step-in agreement from Bristol City Council. Built using a mixed-tenure housing model, the new homes will answer calls from the local community for housing developments to be built which have home buyers, renters and those in social housing living alongside each other.

The houses will be allocated under a local lettings policy which prioritises those already living, working or providing care for relatives in Southmead.

Three-year tenancy contracts will be offered to all tenants to make private rented housing a fair and viable option. Half of the homes will also be offered at a 10% discount to open market rent, aimed at enabling local key workers to stay in the area.

The new homes will be built in the Southmead area, a focus of regeneration for Bristol City Council, on the former Dunmail School site and sit alongside social housing provided by United Communities and homes for sale from Kevin McCloud's HAB Housing. The sustainable scheme incorporates environmentally-friendly design which significantly lowers day-to-day running costs as well as ample green spaces, as requested in the Southmead Community Plan which is driven by the views of 600 Southmead residents surveyed by the Southmead Development Trust.

Shamez Alibhai from the Cheyne Social Property Impact Fund said: "This is the first time that a housing scheme has been funded as a collaboration between a national investment fund, a local community-minded investment company, and the Council. Given the substantial house price and rental price inflation in the city, we're pleased to be helping provide intermediate socially responsible market rent housing solutions for both key workers and other tenants that are sustainable over the longer term. In addition, this investment reflects the first multi-tenure development within Bristol and is a new funding model that could be replicated nationwide to help encourage greater provision of homes."

Ed Rowberry, Chief Executive of BBRC, said: “We are proud to play this catalytic role in the scheme. We look forward to unlocking yet more innovative solutions to help organisations in the region work with their Councils to fast-track its housing delivery, including looking at community-led housing models. All the partners are delighted to contribute to a scheme which prioritises the well-being of local residents, both now and for generations to come.”

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About the Cheyne Social Property Impact Fund

The Cheyne Social Property Impact Fund was launched by alternative asset manager Cheyne Capital in November 2014 in order to help tackle the chronic shortage of housing solutions for disadvantaged groups in the UK. The Fund is a socially responsible landlord which works with high impact, social sector organisations, including local councils that are delivering services in the UK including social / key worker housing, elderly extra care, adult social care and supported living for people with physical and / or learning disabilities. The Fund launched with support from a range of investors including Big Society Capital, who worked closely with Cheyne Capital to anchor the Fund with a seeding commitment.

About Bristol & Bath Regional Capital CIC (BBRC):

BBRC is a public benefit investment company working with local people, companies and institutions in the West of England to catalyse regional change.

We facilitate effective collaborations designed to improve lives and encourage deeper civic engagement by directing local and external investment into commercially viable projects and enterprises that enhance the social, environmental and economic fabric of the region.

Our initial investment themes include homes and communities, community services and asset development, low carbon economy & the environment and employability & enterprise.

BBRC is owned and supported by Bristol City Council, the University of Bristol, the University of West of England, Bath Spa University, Voscur, The Society of Merchant Venturers, Business West, St John's Foundation and the John Pontin Trust.

www.bab-rc.uk

About United Communities

United Communities is a community based social housing provider, formed in April 2013 when United Housing Association and Bristol Community Housing Foundation came together to form a Strategic Alliance.

United Housing Association was formed in 1986 to provide housing for Black and Ethnic Minority people in Bristol. Bristol Community Housing Foundation was responsible for transforming housing in Horfield by initially building 300 new homes.

Together we are a stronger housing provider committed to building new homes, supporting residents to achieve their employment and training aspirations and working within communities to create safe and sustainable communities that residents are proud to call home. We now have just over 1850 properties across the wider Bristol region. In 2014 we delivered our pilot 'More Than Just a Roof' project on our new housing development in Lockleaze. More than just a roof sets out the principles that new residents commit to when they move in to one of our homes. Inherent to 'More Than' is acknowledging and understanding that residents come to us with skills and aspirations and that by supporting residents to move closer to work through employment, training and volunteering opportunities communities can become stronger, sustainable and resilient.

About HAB

HAB stands for Happiness Architecture Beauty. The company was set up by Kevin McCloud in 2007 to challenge the way identikit volume housing was built in the UK. The homes and places they build aim to respect the local context and biodiversity; are strongly rooted in history, landscape and the community; and are sustainable, beautiful and a pleasure to live in. HAB is recognised as a leader in sustainable development, favouring a fabric-first approach to environmental construction with a focus on biodiversity, edible landscapes and sustainable drainage. They use materials and products which have low environmental impact and they also need to be affordable, durable, readily available and easy to maintain.