

Cheyne Announces Launch of Second Impact Real Estate Fund

- *New fund follows success of Cheyne's first Social Property Impact Fund*
- *Cements firm's position as an industry leader in impact real estate investing*

London, 22nd April 2020: Cheyne Capital ("Cheyne") has today announced the launch of its second impact real estate fund, the Cheyne Impact Real Estate Trust (the "Fund").

Following the first investor allocations, the Fund is able to deploy an initial £150 million to address the greater-than-ever need for long-term, affordable housing in the UK.

The Fund will focus on working with a mixture of councils, housing associations and charities from across the UK to provide affordable and keyworker housing as well as supported living facilities, care provision and mixed tenure developments.

The Fund is evergreen and aims for a balanced approach to financial and social return with a view to generating a stable, long-term, inflation-linked dividend while creating positive social outcomes. It has been developed with specifically-defined outcome objectives which form the basis of each investment and are monitored over the life of each one. It seeks to address at least three of the UN Sustainable Development Goals: Good Health & Wellbeing, Reduced Inequalities and Sustainable Cities & Communities.

It is anticipated that the team will shortly begin executing some of its advanced pipeline of £550 million of investments which would deliver around 3,000 homes and include repeat investments with existing partners and referrals that have stemmed from the firm's proven ability to develop and deliver high-quality, tenure-blind, sustainable and affordable housing.

The Fund follows the success of Cheyne's pioneering Social Property Impact Fund which was launched in 2014 to help tackle the chronic shortage of housing solutions for disadvantaged groups in the UK. The first of its kind, its investments included landmark projects such as the mixed-tenure Elderberry Walk development in Bristol that the NHA named the Best Large Scheme in Planning in 2018 and was cited by the World Economic Forum as one of 10 ways that cities across the globe are tackling the affordable housing crisis through innovative schemes. Other investments include Plait Court in Luton, a 100% affordable housing development built without any public subsidy, and Dun Works, a development of 225 homes in Sheffield, providing high-quality accommodation for keyworkers.

Stuart Fiertz, Co-Founder and President of Cheyne Capital, said: "Having been the first private sector investor to both build and buy impact real estate in the UK, we have seen first-hand how responsible private capital and the public sector can work together to increase the supply of affordable housing and build stronger communities. We have spent the past six years building up a broad network and pipeline and have the deep experience to help us continue delivering on our conviction that financial and social returns are not just complementary but will actually lead to superior outcomes over the long term. In these unprecedented times, it is more important than ever that we are able to offer our investors access to secure, long-term, inflation-linked cash flows.

Ravi Stickney, Head of Real Estate at Cheyne Capital, added: “The need for affordable housing and best-in-class accommodation for the public social care sector, coupled with the need for tenants to have security of tenure, is more urgent than ever. The UK has an estimated 5 million households in need of housing, yet only 50,000 new affordable homes are being created each year. There is also an acute lack of social care homes serving the public sector on affordable rents. We are proud to be able to increase the supply of genuinely affordable housing and care facilities as a long-term, responsible investor”.

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About Cheyne Impact Real Estate

Alternative investment manager Cheyne Capital launched its first Social Property Impact Fund in November 2014 and second Impact Real Estate Trust in April 2020 in order to help tackle the chronic shortage of housing solutions in the UK. The Funds are socially responsible landlords which deliver property for use as affordable / keyworker housing, supported living and social care facilities to high quality counterparties such as local councils, housing associations and charities. The Funds form part of Cheyne Capital Real Estate which has provided financing solutions since 2009 and which now manages approximately £3 billion of assets across social impact equity, direct real estate lending, securitised European real estate debt and selective special situations.

About Cheyne Capital

Founded in 2000, Cheyne Capital is a London-based alternative investment fund manager. Cheyne is known for its innovative approach and has been early and successful at delivering value to investors from important dislocations in the market place. With an investment philosophy grounded in rigorous fundamental analysis, the firm’s areas of expertise are Real Estate Debt, Social Property Impact, Investment-Grade Credit, Strategic Value Credit and Equity-Linked 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. Cheyne is a signatory to the United Nations-supported Principles for Responsible Investment (PRI), a member of the Alternative Investment Management Association (AIMA), a founding member of the Alternative Credit Council and one of the initial signatories to the Standards Board for Alternative Investments (SBAI).