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HBD hands over £80m GDV Mabgate Yard to Cheyne Impact Real Estate

Leeds, 18th January 2024: HBD, part of Henry Boot, has announced the sale of its £80m GDV Mabgate Yard development in Leeds, with Cheyne Impact Real Estate selected to bring the scheme forward.

Cheyne Impact Real Estate launched in 2014 to tackle housing challenges in the UK through tailoring its housing investment strategy for each location and community, to address the specific local needs.

This latest deal follows the launch of the alternative asset manager's impact BTR scheme, Poplin, in Manchester last year, where 35% of homes are voluntarily reserved for local key workers at discounted rents and all rental increases are capped. Poplin is currently ranked number one out of 55 places to live in Manchester on tenant review platform Homeviews.

HBD secured planning permission for Mabgate Yard in September 2023, following positive feedback at consultation. The 310 new apartments will be accompanied by amenities including co-working and creative spaces and new green space.

Since acquiring the site in December 2020, HBD has provided space for several local charities, including Zarach and MAP Charity, which transformed the building with a 26 ft mural during a workshop for children between 11 and 16 years old.

Ed Hutchinson, Managing Director at HBD, said: "Mabgate Yard is a fantastic scheme located in one of Leeds' most unique neighbourhoods. Following extensive community consultations, we were keen to ensure that the development would be both high quality and have a significant affordable element and identified Cheyne Capital to bring it forward, focusing on delivering social value into an up-and-coming area like Mabgate.

“The development occupies a key strategic gateway site between St James’ Hospital and Leeds City Centre and has real potential to create a thriving community in one of the city’s most popular emerging neighbourhoods. As a long-term investor in the city and the wider region, it was important to HBD that we entrust the site to the right buyer with aligned interests. We look forward to seeing Mabgate Yard take shape in Cheyne’s very capable hands.”

Ehtizaz Chaudhry of Cheyne Impact Real Estate, said: “We are looking forward to delivering Leeds City Council’s vision through Mabgate Yard.

“Mabgate is an exciting emerging neighbourhood, full of character, historic buildings and a strong independent creative community. It is undergoing vast regeneration, is on the doorstop of Leeds city centre and offers excellent connectivity into Leeds and surrounding areas.

“Mabgate Yard will be a best-in-class build-to-rent scheme of up to 310 apartments, providing a significant amount of well-designed amenity space, landscaped gardens, enhanced public realm and ground floor commercial offerings.

“In keeping with our investment philosophy, we will create a high-quality residential scheme to complement the local requirements of this emerging area, adding to our growing portfolio of impact-led and community-centric investments. Mabgate Yard provides an opportunity to deliver a bespoke solution to create the heart of a thriving neighbourhood in an emerging area. We intend to harness the local knowledge of the experienced team we are working alongside, to create a well-considered development for the local community.”

-ENDS-

About HBD

Award-winning HBD is one of the UK's most active property developers. Part of the Henry Boot Group, it is currently working with a £1.26bn pipeline and operates from seven offices including Leeds.

The Leeds office is delivering a host of high-profile developments across Yorkshire and the North East, including Wakefield Hub, Markham Vale and the Acquired Brain Injury Centre at The Chocolate Works in York. It continues to grow its development pipeline and investment portfolio and is looking for new investment opportunities across urban regeneration, residential and industrial and logistics.

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 affordable housing solutions in the UK. Cheyne Impact Real Estate is a socially responsible landlord which delivers high-quality property for use as affordable and specialist housing. The strategy forms part of Cheyne Capital Real Estate which has provided financing solutions since 2009 and which now manages approximately half of the firm's £9 billion in assets.

About Cheyne Real Estate

Founded in 2000, Cheyne Capital is one of Europe's leading alternative investment managers and is headquartered in London. With an investment philosophy grounded in rigorous fundamental analysis, the firm's areas of expertise are Real Estate, Strategic Value Credit, Corporate Credit, Equity Alternatives and Multi-Strategy Solutions.

Real Estate investments account for approximately half of Cheyne's $11 billion of AUM. Cheyne has provided financing solutions for real estate since 2009 across direct real estate lending, securitised European real estate debt and selective special situations, including impact real estate investments in affordable and specialist housing. In real estate lending, Cheyne seeks to provide specialised non-bank loans to borrowers in select European markets, with a flexible approach that enables it to invest into all parts of the capital structure. Its relationships with its borrowers are facilitated by a localised presence in Berlin, Madrid and Paris, in addition to London.

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