

Gresham House Mainstream Build to Rent (BtR)

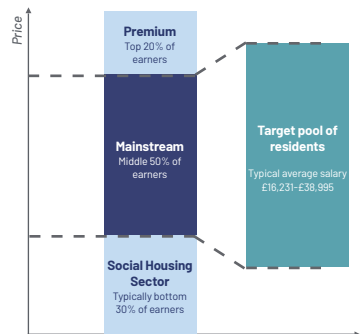
Strategy aims to deliver 5% long term inflation linked income stream, with target net return of 10%+

Since 1987
Gresham House
Specialist asset management

Strategy investing in the delivery of attractive, fairly priced homes (Mainstream BtR) for working people to rent across the UK's regional cities to meet a structural supply shortage of affordable homes. Targeting a 5% long term income yield, correlated to inflation, to deliver 10% net IRR.

Strategy characteristics

- Focus on underserved secondary cities, large towns and urban fringe locations, close to key employment hubs
- Balanced mix of low-to-mid rise apartments and houses
- Lower amenity model reduces operational costs and delivers maximum value to residents "behind their front door"
- Hybrid delivery strategy utilising in-house and third-party development partners
- Properties are designed and managed in line with proprietary resident charters to maximise investor and resident outcomes



Key differentiators

1. Vertically integrated development, property and asset management capability
2. Complementary Gresham House housing funds provide origination advantage
3. Smaller average lot sizes accelerates absorption rates and increases geographic diversification
4. Mixed portfolio of apartments and houses offers improved resident retention
5. Identified seed assets include income-generating properties
6. Manager draws on 20-year track record and was an early mover in the UK delivering 1,000+ Mainstream BtR homes

Gresham House housing capabilities

- Investment team manage a range of complementary strategies addressing different areas of housing market
- Currently manage c.£500m in UK housing²
- Existing Private Rented Sector (PRS) portfolio of c.3,200 units¹; total residential portfolio of over 4,000 units
- 23-strong housing investment team, supported by dedicated in-house development and property management professionals
- Unrivalled experience investing in and arranging funding for the UK housing sector

We integrate Environmental, Governance, Social and Economic benefit considerations into our selection, evaluation, governance and management processes across the lifecycle of each investment.

Lead investment professionals



Joe Thomas
Investment Director

9 years' industry experience



Alistair Wardell
Investment Director

15 years' industry experience

IRR and income yield figures are targets only and not guaranteed. Capital at risk.

1. Operational, in construction or in exclusivity

2. Gross Asset Value - the total market value of all the investments under the management of a fund, so it usually includes the value of equity positions, debt position

Key terms

Target total return	10.0% ¹
Target income yield	5.0% ¹
Target strategy size	£500m
2021 target raise	£100m-£150m
Structure	Evergreen fund

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Capital at risk.*

Case Study: The Depot, Manchester

92-unit scheme in Greater Manchester that is now fully established. We are currently delivering an additional 45 units on site.

Funding date	Sept 2018
Acquisition cost	£12.8m
Gross Development Value	£15.0m
Gross yield on cost	7.6%
Net yield on cost	5.7%

Get in touch



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About Gresham House

Founded in 1857, Gresham House is one of the oldest companies in London. Since 2014, the business has been transformed, with a new ethos, team and investment mandate. Our culture of empowerment encourages both individual flair and entrepreneurial thinking, and this has ensured a steady stream of new talent. Gresham House has continued to go from strength to strength, through acquisition and organic growth, with assets under management of over £4.0bn² providing a strong and scalable platform from which we can continue to grow.

- 1. IRR and income yield figures are targets only and not guaranteed*
- 2. As at 31 December 2020*



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