

PRESS RELEASE

13 December 2019

Cording secures fourth site for £400 million UK private rented sector fund

Cording Real Estate Group, a member of the Edmond de Rothschild Real Estate investment management platform, has secured the fourth site for its £400 million Cording UK Residential Investment Fund, which invests in the private rented sector (PRS) on behalf of Continental European investors.

The fund has agreed to forward fund a build-to-rent development by High Street Residential on part of the site of the former Kent Street Baths in the centre of Birmingham for £49.7 million. Located on a 2.2-acre site bounded by Bromsgrove Street, Gooch Street North, Kent Street and Henstead Street, the development will provide retail space, a café, gym and a residents' hub along with a minimum of 262 mainly one and two-bed apartments for rent, which may increase to 279 units, subject to planning consent for the additional 17.

Construction, which will be carried out by Nobles Construction, is due to commence on site in January 2020 and is expected to be completed in June 2022.

Cording operates a vertically-integrated platform and will provide a lettings and management service for the completed development from its in-house PRS team.

Charlie Miller, director of residential acquisitions at Cording, said: "This ambitious placemaking scheme in the vibrant city of Birmingham continues our push to creating a well-balanced UK-wide portfolio of low to mid-market rental properties in great locations".

High Street Residential is part of the Newcastle-upon-Tyne-based High Street Group of Companies. Specialising in PRS, it has announced 12 ventures in major UK towns and cities, with a gross development value of £644 million, creating more than 3,000 apartments.

One of these, in Warrington, was also bought by Cording last December and High Street Group chairman, Gary Forrest, said: "We are delighted to have signed this second agreement, which is further evidence that PRS is here to stay and offers extremely attractive investment opportunities. Almost 19% of the UK population is renting privately and this figure is expected to grow significantly".

The Cording UK Residential Investment Fund was launched in August 2018 with equity commitments of more than £100 million from German institutional investors. Cording is in the process of raising an additional £150 million of equity commitments from Continental European institutional investors. Using leverage, the fund will have £400 million to create a diversified portfolio of PRS assets, delivering sustainable and stable distributions over a long-term holding period.

Using a unique and comprehensive research-led approach, Cording focuses on the lower-to-mid market and has identified regional cities and locations outside Central London where demand for rented accommodation is strong and set to grow, and where existing stock is predominantly old and in houses of multiple occupation (HMOs).

The fund's first three acquisitions were also forward funding agreements - the Merlin Wharf site in the Waterside regeneration area in Leicester, a site in the Stadium Quarter regeneration area in Warrington and a site in the Lace Market area of Nottingham.

The AIFM of the Fund in Luxembourg is Pancura SA, while Aztec Group acts as central administrator.

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NOTES TO EDITORS:

About Cording Real Estate Group

Headquartered in London, Cording Real Estate Group is a European real estate business which provides vertically-integrated services covering investment management, asset management and property management. Founded in 2008, Cording has grown significantly in its target markets of the UK, Germany and Benelux. It currently has around €2.5 billion of management mandates. Cording has 85 staff operating from five offices in Germany, one in the UK and one in the Netherlands. www.cordinggroup.com

About Edmond de Rothschild Real Estate Investment Management

Edmond de Rothschild is an ambitious, independent family-run investment house which specialises in private banking and asset management. The Group has 150 billion euros in assets under management, 2,700 employees and 32 sites worldwide as of 31 December 2018. Edmond de Rothschild Real Estate Investment Management platform operates through Local Operating Entities, including Orox Asset Management in Switzerland, Cleaveland in France and Cording Real Estate Group in the UK, Benelux & Germany. The Edmond de Rothschild Real Estate investment management platform now includes over 140 real estate professional people in 11 offices (6 countries) and manages around €9 billion of real estate assets on behalf of discretionary funds and separate accounts.