



PRESS RELEASE

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Heim's UK Residential Fund Reaches £375 Million at First Close

Heim's UK Residential Fund completes First Close supported by UK Local Government Pension Schemes with initial commitments at £375 million. The build-to-core Fund is well on its way to its £800 million target, aiming to develop 5,000 new homes. This strategic initiative provides investors with a unique opportunity to access the critically undersupplied UK housing market.

Heim's UK Residential Fund invests in mid-market rental housing, seeking to address the substantial undersupply of high quality, yet affordable rental products. With construction activity at historically low levels, the Fund is well-positioned to increase the supply of new rental homes across the UK. CIO at Heim Global Investor, Andreas Oulie comments:

- "The First Close follows a sentiment shift in the real estate market during the second half of 2024, with strengthened institutional investor demand for residential due to reduced uncertainty and continuing strong fundamentals in our sector. Our new partners in Northern LGPS share our commitment to deliver new affordable rental housing on urban brownfield sites across the UK, and we are already working on a further equity raise, where we plan to onboard further investors in a second close later this year."

The Fund has solid support from the Northern LGPS Pool, a large £60 billion plus Local Government Pension Scheme Pool incorporating Greater Manchester Pension Fund, West Yorkshire Pension Fund and Merseyside Pension Fund. Partners at the Northern LGPS Pool share Heim's conviction in mid-market rent housing across the UK's larger regional cities.

Head of Real Assets at Greater Manchester Pension Fund, Kevin Etchells comments:

- "With Heim we partner with a manager that brings a significant track record in scaling residential platforms across Europe. Heim shares our belief in the long-term fundamentals of building affordable rental products at scale."

Head of Alternatives at West Yorkshire Pension Fund, Darran Ward, elaborates further:

- "The Northern LGPS Pool is providing significant and scalable investment into the UK housing market at a time of great need to increase the supply of new homes to meet the government's ambitious housebuilding targets. The Fund's first investment has been made in one of our home markets, Leeds. We look forward to working closely with Heim to deliver much-needed housing solutions that benefit cities and communities across the Northern LGPS regions of Greater Manchester, West Yorkshire and Merseyside."

UK housing construction is at a low point, with housebuilders and developers competing for access to capital. While robust and improving fundamentals are anticipated to broaden access to capital, the effects on activity will not be immediate. Meanwhile, the UK Residential Fund's First Close ensures substantial investment capacity and an expectation of high transaction activity in 2025. With further fundraising closings planned for 2025 to reach the Fund's £800 million target, the ambition is to scale a portfolio of 5,000 homes.

Head of UK at Heim, Christian Birrell, comments:

- "We are very active in the market with a pipeline of interesting opportunities that will scale our residential portfolio in 2025. The residential funding market has evolved substantially over the last two years, and we are seeing a high volume of deal flow that can deliver attractive risk-adjusted returns for the Fund. With a shortage of development capital in the market today, we see 2025 as a great time to deploy our capital, as we move towards our target of building 5,000 new affordable rental homes across the UK with this Fund."

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About Heim Global Investor

Heim Global Investor AS is a regulated Alternative Investment Fund Manager (AIFM) specialising in the real estate living sector. Sponsored by Fredensborg, the owner of Heimstaden, the organisation boasts 30 years of experience investing in and operating residential real estate with local presence across Europe. Heimstaden manages a portfolio of approx. EUR 30 billion across 162,000 homes in nine European markets.