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APACHE CAPITAL PARTNERS & AUDLEY GROUP

FORM NEW JOINT VENTURE TO DEVELOP A LUXURY RETIREMENT VILLAGE OVERLOOKING CLAPHAM COMMON, LONDON, WITH A GDV OF APPROXIMATELY £125 MILLION

Apache Capital Partners (“**Apache Capital**”), the London and Gulf based private real estate investment management firm, and Audley Group (“**Audley**”), the UK’s leading provider of luxury retirement villages, are pleased to announce today that they have formed a new joint venture (“**JV**”) to deliver a 13,750 sqm luxury retirement village on Nightingale Lane, overlooking Clapham Common, London. The scheme has a gross development value of £125 million.

The scheme, situated on the site of a former police station and already with the benefit of a planning permission secured by Apache Capital, will deliver one of the first retirement villages in central London, providing excellent transport links and with a wide variety of shops and amenities nearby.

On completion, the retirement village will bring Audley’s luxury proposition to a new London audience who will have the opportunity to buy apartments of exceptional quality, designed to the highest specification and combined with flexible care as and when needed. Care can be tailored to individual requirements, and ranges from simple help with the shopping and cleaning, through to 24 hour, 7 day a week support. All of which is delivered by Audley Care, Audley’s CQC regulated care provider. Audley’s proven concept provides an independent lifestyle, with central facilities on site which will include a swimming pool, health club, restaurant and bar.

The JV is seeking minor internal alterations to the existing planning permission, the main change being a reduction in the number of units from the original 102. In collaboration with Quad architects, the JV will shortly submit an application to deliver a premium, high specification retirement village comprising 94 apartments of between one and three beds, all with balconies or terraces, with 18 basement parking spaces and significant landscaped gardens both at ground and roof level.

Construction is anticipated to commence by mid-2018 with completion expected in 2020.

Both Audley and Apache Capital had identified and targeted the opportunity that the growing ageing demographic in the UK represents, with 1 in 5 of the population forecast to be over 65 in 10 years’ time and the number of over 85s predicted to more than double in the next 23 years (source: Laing and Buisson, ONS). This new JV underlines this strategy. JLL and ONS research finds that almost 80% of the over 65s will be classified as mid- or high-end affluence by 2025, yet 75% of the current senior living assets are classified as affordable highlighting the supply-demand imbalance in the current market. The mid- and high-end market is estimated to have a potential requirement of an additional 725,000 senior living units by 2025, which equates to nearly 50% of all new homes built at the current rate (source: JLL and ONS).

Apache were advised by Strutt & Parker (Richard Harris), with Audley unrepresented.

Richard Jackson, Co-Founder and Managing Director of Apache Capital Partners, said:

“Apache Capital is delighted to announce our JV with Audley, which will deliver this luxury retirement village development overlooking Clapham Common, London. This will be one of the first in central London and sets a new standard with an uncompromising approach to the quality of the building, amenity and sophisticated lifestyle and flexible care services to our residents.

“Retirement housing is an evolving investment model in the UK which we have long believed would and is now developing into an institutional asset class. We look forward to increasing our exposure to this sector which is currently chronically undersupplied, particularly in London, and facing rapidly growing demographic demand.

“The JV with Audley is consistent with our strategic aim of investing into sectors underpinned by long term demographic trends and Apache Capital has already aggregated an institutional-grade portfolio of assets, with a gross development value of £1.4 billion, through our pioneering Social Infrastructure and Build to Rent investment platforms.”



Nick Sanderson, CEO of Audley Group, said:

“To be able to bring the Audley Villages brand to the Capital is a significant milestone for the business and demonstrates the scale of our ambition to offer aspirational retirement living options to as many people as possible. The team at Apache Capital shares our vision, and their experience and willingness to collaborate has enabled this vision to become a reality.

“It is a myth that everyone wants to move to the country as they get older and our own research has shown us that many people want to stay in the same locality; there is also a trend of older people moving back in to cities. London is one of the world’s most vibrant cities and many do not want to leave the city they love simply because their homes are no longer suitable for their changing needs, but may have found few housing options which would allow them to stay.

“Audley villages are built to the highest standard, and in the most desirable locations, so we are delighted to add the Clapham site to our growing portfolio.

“Audley now has 16 villages across the UK providing over 1,000 properties and plans to double this number over the next five years by completing its current villages as well as acquiring new sites. Last year also saw the launch of the Mayfield Villages brand, a mid-market proposition, for which the first sites will be announced shortly.

Ben Pile, Investment Director and Head of the Social Infrastructure Platform, said:

“This is an exciting development forming part of our innovative Social Infrastructure investment platform, which has invested early in sectors such as premium direct let student accommodation, healthcare, education and affordable housing. The platform has achieved returns significantly in excess of target returns. We look forward to working with Audley and utilising this JV as a framework to develop further assets together in due course.”

– ENDS –

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NOTES TO EDITORS

About Apache Capital Partners

Apache is a private real estate investment management firm, headquartered in London and with an office in the Middle East, founded in 2008. We specialise in investing capital from the Middle East into UK based property and operating businesses whose value is substantially underwritten by the underlying real estate. Apache Capital's investment rationale is to build institutional grade and scale portfolios on a bespoke basis, before exiting to institutional investors.

Our investments are made across the risk spectrum to include sites with or without planning, development and completed investments. We specialise in the funding of developments in joint ventures with industry leading partners. We manage specialist, Shariah-compliant, real estate businesses across three areas:

- Social Infrastructure – healthcare, education, student accommodation and affordable housing
- Private Rented Sector (PRS) – residential
- Income Investment – commercial

Website: www.apachecapitalpartners.co.uk



About Audley Group

Founded in 1991, Audley has since established itself as a pioneer in the provision of high quality retirement living. The first Audley village was built fifteen years ago in Kent and today Audley owns a portfolio of fifteen across the country. Audley owners buy their own house or apartment on a 125 year lease with access to the Audley Club facilities and flexible care if needed, enabling them to live an independent and healthy life. Audley is an accredited care provider and a founder member of The Associated Retirement Community Operators, ARCO.

Website: www.audleyretirement.co.uk