

31 January 2018

AUDLEY GROUP SECURES NEW £125M CREDIT FACILITY TO SUPPORT FURTHER GROWTH

- Loan to be provided by HSBC (£90m) and Bank Leumi (UK) (£35m)
- New revolving credit facility replaces existing facilities with AIG, Bank Leumi (UK) and Coutts
- Facility to fund all existing and future developments of the group across its two brands, Audley Villages and Mayfield Villages

Audley Group, the UK's leading provider of luxury retirement villages, has today completed the refinancing of its debt facilities with a five year term loan of £125m, jointly funded by HSBC and Bank Leumi (UK).

The facility will fund all existing developments within the group across both luxury brand Audley Villages and new mid-market provider Mayfield Villages, as well as new locations, covering the cost of land acquisition and development.

This news comes on the back of an additional £85m of equity raised in June 2017 by the Moorfield Audley Real Estate Fund (MAREF), taking the total equity raised to £285m. Moorfield Group, the UK real estate private equity fund manager, created MAREF to acquire Audley in December 2015.

As well as the 17 villages that sit under the Audley Villages brand, which when completed will provide at least 2,000 units nationwide, 500 units are currently planned at future Mayfield Villages sites, including the first location at Watford.

Jon Austen, Chief Financial Officer, Audley Group, said: "The Audley Group model is one of sourcing sites, achieving planning, then developing and operating the completed village, which will offer owners an independent lifestyle with restaurants, library, healthclub and on-site care if owners need it. Demand for our product is extremely high, driven by the increasing ageing of our population. This new facility allows us to execute our aggressive growth strategy and the backing of HSBC and Bank Leumi (UK) is a reflection of the quality of our business, our profitability and the strength of our balance sheet.

RESTRICTED

Hugh Taylor, Head of Housing, HSBC UK, said “Audley is a leading developer and operator of retirement villages and an early mover in the provision of this product in the UK. We are very pleased to support the growth of this first class business, which comes as part of our wider efforts to help addresss the current housing challenge. The retirement village sector is an important part of the solution as buyers of such homes are releasing family homes into the market, thus helping boost availability of much-needed stock.”

Richard Martin, Relationship Manager, Property Finance, Bank Leumi (UK), said “We have supported Audley Group for a number of years, firstly by providing bank finance to the Chalfont Dene village and most recently in financing the development of the latest village at Redwood in Bristol which opened in November 2017. Our desire to remain involved with Audley is borne out of our strong belief in its business model and excellent management team.”

The financing was led by Clare Brown, Senior Corporate Banking Manager, HSBC, with the lenders being advised by Burges Salmon, CBRE and Arcadis. Audley Group was advised by Eversheds and JCRA.

Audley’s brands serve two distinct audiences. Audley Villages is the luxury retirement brand, delivering a first class experience and award winning design to owners. Typically, heritage properties are adapted to incorporate existing features from the original buildings, bringing them back to life by turning them into modern, high specification houses, apartments and communal spaces, akin to a boutique hotel. Owners also benefit from access to luxurious Audley Club facilities which include a restaurant, bar/bistro, library, a health and wellbeing centre and swimming pool. All owners can also take advantage of the highest quality care in their own home.

Responding to customer demand, Audley last year launched Mayfield Villages, a mid-market proposition, with the first village to be part of the Watford Riverwell scheme. The premise behind Mayfield is to offer the same level of service as Audley Villages, with high living standards and excellent care, but at a lower price point. These will be larger villages, typically in urban/suburban environments.



– Ends –

For more information or spokespeople contact James Terry or audley@teamspirit.uk.com or 020 7360 7878

Audley Group

Audley Group is a specialist retirement housing provider which acquires sites, develops and then operates retirement villages. The Group has two brands: Audley Villages, founded in 1991 and aimed at the luxury end of the market, and Mayfield Villages, a proposition with broader appeal. Audley Group now owns a portfolio of 18 villages across the country.

Owners buy their own house or apartment on a 125 year lease with access to facilities and flexible care if needed, enabling them to live an independent and healthy life. Audley Group is an accredited care provider and a founder member of The Associated Retirement Community Operators, ARCO.

www.audleyretirement.co.uk

HSBC UK

HSBC serves c17 million customers in the UK and employs approximately 43,000 people. In the UK, HSBC offers a complete range of personal, premier and private banking services including bank accounts and mortgages. It also provides commercial banking for small to medium businesses and corporate and institutional banking services. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc.

HSBC Holdings plc

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from approximately 3,900 offices in 67 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of \$2,526bn at 30 September 2017, HSBC is one of the world's largest banking and financial services organisations.

Bank Leumi (UK)

Bank Leumi (UK) is a UK-regulated bank offering a wide range of corporate and commercial banking services to both UK based and international clients. An integral part of the Bank Leumi Group founded in London in 1902, the Bank operates through its Head Office in London and its award winning Asset Based Lender subsidiary, Leumi ABL in Brighton. Activities include commercial finance, trade finance, with a particular expertise in financing cross border trading, commodity finance, financing Israeli related business, media finance, property finance and hotel finance.

Bank Leumi (UK) is a subsidiary of the Leumi Group, one of Israel's largest banking groups and a reputable global banking institution. The Group operates over 230 branches across Israel, alongside offices in key financial centres worldwide. The Group offers a comprehensive range of specialised financial services.

Bank Leumi (UK) plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

RESTRICTED