

**16 January 2017**

**APACHE CAPITAL PARTNERS & MODA LIVING JOINT VENTURE**

**AGREES £85 MILLION SENIOR DEBT FINANCING WITH PBB DEUTSCHE PFANDBRIEFBANK ON ITS ANGEL GARDENS, MANCHESTER, PREMIUM PRIVATE RENTED SECTOR DEVELOPMENT SCHEME**

**The UK's first major residential tower outside of London to be built since the global financial crisis**

Apache Capital Partners, the London and Gulf based private real estate investment management firm, alongside joint venture partner Moda Living, a leading developer and operator of private rented housing, announce that they have agreed senior debt financing of £85 million secured on Angel Gardens, their landmark 34-storey, 466 apartment premium Private Rented Sector ("PRs") accommodation scheme in the heart of Manchester city centre.

This facility, agreed with pbb Deutsche Pfandbriefbank, a leading European specialist bank for real estate financing and public investment finance, has a four-year term to facilitate the construction period, which will automatically convert into an investment loan for the remainder of the term. Practical completion of the building will be in two phases between 2019 and 2020.

As a central part of the wider NOMA redevelopment masterplan, the 20-acre mixed-use strategic regeneration project opposite Manchester Victoria, the £153 million Angel Gardens development covers 520,000 sq ft.

Angel Gardens will be the first PRS scheme delivered by Apache Capital's joint venture with Moda Living. The joint venture, created in May 2015, has to date secured a £1 billion premium PRS development pipeline comprising 5,000 homes for rent, located in eight prime city centre sites across the UK's major regional cities and the South East including London. The joint venture will retain ownership of the property and operate it to ensure the creation of a genuine long-term community and investment platform.

Each building will boast state of the art design features and an array of high quality dedicated social and work spaces as well as communal facilities and services, including a cinema room, restaurants, retail units, a gym and outdoor areas – offering aspirational homes, communities and lifestyles not currently available to today's renters.

Apache were advised by Savills Corporate Finance and CBRE.

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

"We saw strong and growing appetite from international and domestic banks, institutions and insurers and are pleased to have secured this new £85 million debt financing from pbb Deutsche Pfandbriefbank. This offers Apache Capital funding diversification as well as the potential for future financing with pbb as we deliver on our secured £1 billion GDV pipeline of 5,000 premium PRS homes.

We are now delivering the first substantial PRS tower development this side of the recession in the UK regions and this financing is the culmination of many years of work in the PRS sector and on Angel Gardens. Technically delivering and financing a building of this scale early in the UK PRS cycle has had many challenges and overcoming these underlines our JV team's in-house expertise, the superior design and specification of our landmark scheme and the quality of amenities and services we are delivering."

**Charles Balch, Head of Real Estate Finance International Clients, UK & CEE at pbb Deutsche Pfandbriefbank, said:**

"We are delighted to have closed this landmark transaction with the Apache and Moda teams. Well-located developments managed by experienced teams in main regional centres remain an appealing asset class and fit well within our prudent lending strategy."

**Johnny Caddick, Managing Director at Moda Living, said:**



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"Having secured a significant pipeline across major UK cities, we are now focusing on delivering a project that will set new expectations for rental housing in Manchester and throughout the UK. Renewed support for build to rent from Gavin Barwell, the housing minister, is hugely welcome."

**-ENDS-**

**FOR FURTHER INFORMATION, PLEASE CONTACT:**

**Newgate (PR adviser to Apache Capital)**

James Benjamin / Zoe Pocock / Lydia Thompson  
Tel: +44 207 680 6550  
Email: [apachecapital@newgatecomms.com](mailto:apachecapital@newgatecomms.com)

**pbb Deutsche Pfandbriefbank**

Media Contacts:  
Walter Allwicher, +49 89 2880 28787, [walter.allwicher@pfandbriefbank.com](mailto:walter.allwicher@pfandbriefbank.com)  
Oliver Gruss, +49 89 2880 28781, [oliver.gruss@pfandbriefbank.com](mailto:oliver.gruss@pfandbriefbank.com)

**Blackstock (PR adviser to Moda Living)**

Andrew Teacher / Tom Roberts / Harry Curtis / Lilly Aaron  
Tel: +44 0203 137 6361  
Email: [team@blackstockpr.com](mailto:team@blackstockpr.com)

**Beattie (PR consultants to Moda Living)**

Danielle Tingey / Bianca Keeble / Eleanor Leal Luna  
Tel: 0113 213 0300  
Email: [modaliving@onlybeattie.com](mailto:modaliving@onlybeattie.com)

**NOTES TO EDITORS**

**Apache Capital Partners** is a private real estate investment management firm, headquartered in London and with an office in the Middle East and we were 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 but 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](http://www.apachecapitalpartners.co.uk)

**Moda Living** was formed in 2014 by Caddick Group Plc and Generate Land Ltd. It was created to acquire sites and deliver high quality, high specification, residential developments designed for the Private Rented Sector. The Moda Living schemes are designed to institutional standards following the principles set out in the 'ULI UK: Build to Rent Best Practice Guide'.

Moda Living aspires to be the UK's leading rental brand. With a development pipeline of 5,000 apartments at a value of £1bn, located in high profile city centre locations across the UK. As a design, build and operate model Moda Living continues to push the boundaries of style, service and innovation to craft considered, inclusive residential communities, focusing on customer service and best-in-class institutional grade design.

Moda Living has a clear objective of pioneering positive change to the UK rental landscape.

Website: [www.modaliving.co.uk](http://www.modaliving.co.uk)



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**pbb Deutsche Pfandbriefbank** ([www.pfandbriefbank.com](http://www.pfandbriefbank.com)) is a leading European commercial real estate and public investment lender. It is the largest issuer of Pfandbriefe and an important issuer of covered bonds in Europe. Deutsche Pfandbriefbank AG is listed on the Frankfurt Stock Exchange.

In addition to Germany, the main business focus is on the UK, France, the Nordic countries and selected countries in Central and Eastern Europe. In these core markets, pbb offers its customers a strong local presence with expert knowledge across the whole spectrum of the financing process. As a result of its competencies in loan structuring, its cross-border approach and co-operation with funding partners, pbb is able to complete both complex financings and cross-border transactions.