

Chancerygate and Bridges Ventures invest in student housing development

Chancerygate and Bridges Ventures today announce a new partnership to develop student housing in London in a desirable area near the City.

The partnership has acquired a key site located in Zone 1, between Aldgate East and Whitechapel tube stations, which will provide easy access to London Metropolitan University and convenient transport links to other universities around London. The area is becoming increasingly fashionable due to its proximity to Brick Lane and the City and substantial regeneration is scheduled in the vicinity under the Aldgate Masterplan.

The development will house 339 student rooms, 9 private apartments and a supermarket of 12,000 sq ft.



This is the second investment announced by the Bridges Sustainable Property Fund, which achieved a successful first close late last year. The first investment funded a series of environmentally friendly, pre-let care homes. The Bridges Sustainable Property Fund invests in properties in regeneration areas and buildings showing environmental leadership. This development is located in Tower Hamlets Local Authority, in the most deprived 5% of the country as measured by the Government's Index of Multiple Deprivation. In addition, it is expected to generate significant carbon reductions through the use of innovative technology.

Construction on the new build is due to start this summer with completion scheduled ahead of the opening of the Olympic Games in early 2012. Debt funding is being provided by Barclays Bank, which is the leading lender in the student sector with construction being undertaken by Mace.

Simon Ringer, Managing Director of the Bridges Sustainable Property Fund, commented:

"Chancerygate is a strong development partner and we are very pleased to be able to work closely with their highly experienced team to create a sustainable development to meet student demand.

The partnership is delighted to have been able to secure this transaction in this important regeneration area in London. There are around 270,000 students in the capital yet the supply of good quality space is very tight with occupancy running close to 100%.

With authorities increasingly reluctant to grant planning consents, provision of student accommodation in central London is likely to be highly limited in the future. We therefore believe this

development not only to be necessary to accommodate the growing student population in London, but also commercially attractive.”

Andrew Johnson, Chancerygate Chairman, commented:

“This scheme is a great opportunity for the Chancerygate team to demonstrate our wider skills and bring them to bear in a market with which we would not normally be associated. It further demonstrates the diverse skill base and experience we have at Chancerygate through the development and asset management divisions working closely together for the benefit of our joint venture partners.

It is a significant investment for the company and we look forward to providing first class facilities on the edge of the City.”

Media:

Bridges Ventures

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Notes to Editors:

Bridges Ventures

The Bridges Sustainable Property Fund is managed by Simon Ringer with the assistance of an investment committee comprising John Harrison, co-founder of MWB Group Plc, John Duggan, formally CEO at Gazeley Limited, and Philip Newborough, Michele Giddens and Rory Maw of Bridges Ventures. Simon has worked in the property industry for over 20 years with a focus on fund management whilst at PRICOA Property Investment Management (now Rockspring), and as a Director of Charterhouse Bank (now HSBC) having created and managed its property fund management business and a variety of funds and joint ventures whilst at Jones Lang LaSalle Corporate Finance.

Bridges Ventures is an investment company established in 2002 as a fund manager with a social mission whose commercial expertise is used to achieve social or environmental aims as well as attractive returns for investors. Four funds have been raised to date: Venture Funds I & II, the Bridges Sustainable Property Fund and the Bridges Social Entrepreneurs Fund.

Venture Fund I totalled £40m while Venture Fund II totalled £75m, beating its original target of £50m by 50%, and was closed in 2007. Investors in the second fund include HSBC, Co-operative Financial Services, Barclays Business Banking, Lloyds TSB and Citigroup, and individuals including Tom Singh of 3i, Dr Mike Lynch of Autonomy Corporation and Lloyd Dorfman of Travelex, as well as pension funds and endowments including the Universities Superannuation Scheme, the West Midlands Pension Fund and All Souls College.

The Venture Funds invest in businesses based in regeneration areas and in sustainable business sectors such as education/training, environment and health. Bridges Ventures typically invests up to £10m at a time in ambitious, entrepreneurial businesses including early stage, development capital and management buy-outs. So far, £70m has been invested in 34 companies, many of whose

employees have come out of long-term unemployment. To date there have been five successful exits: Harlands in Hull, SimplySwitch in South London, HS Atec in Yorkshire, EB2 in South London and IDL in Bournemouth.

Bridges Ventures' key backers include Sir Ronald Cohen, co-founder and former chairman of Apax Partners, 3i and Doughty Hanson.

Bridges Ventures recently launched the Bridges Sustainable Property Fund, which invests in properties in regeneration areas and environmentally sustainable buildings that have the potential to make strong financial returns as well as delivering social and environmental impacts.

In November 2008, the Bridges Ventures Charitable Trust launched the Bridges Social Entrepreneurs Fund a quasi-equity fund which provides an innovative financing solution that is tailored to the needs of ambitious social enterprises.

For more information please go to www.bridgesventures.com

Notes to Editors:

Chancerygate

Chancerygate is a privately owned development and property company founded in 1995 by Andrew Johnson specialising in the industrial sector for development. It is best known for the Chancerygate Business Centres brand (which provides small industrial units throughout the UK) and expertise in developing brownfield sites and providing bespoke solutions to occupiers.

Chancerygate Asset Management, since its formation by Andrew Johnson in 2000, has a proven track record of over £500m of real estate transactions and is particularly known for its larger portfolio acquisitions.

Further Information

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