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BlackRock and heylo agree £362.5m funding facility for Shared Ownership homes

Funding acquisition of 3,000 affordable homes across the UK

Follows Vistry Group's decision to commit 1,000 new homes to Home Reach

London – May 24, 2021 – BlackRock today announces that it has acted as the majority debt provider on heylo housing's £362.5 million acquisition of a portfolio of 3,000 shared-ownership homes through its Home Reach scheme, marking a significant milestone for BlackRock and heylo.

heylo is the UK's leading provider of shared ownership housing, working with government, Homes England and over 90 house builders to deliver shared ownership properties from Carlisle to Cornwall. Its Home Reach product expands the pool of eligible homebuyers, helping them buy a share in their home with equity and a mortgage and pay a long-term, inflation-linked rent to lease the remaining share. It is currently available on 240 developments nationwide.

Funding for the portfolio acquisition comprises £262m index-linked and £100m fixed rate facilities provided over 25-years. This marks BlackRock Real Assets' eighteenth investment in the UK residential sector, where it has so far committed £1.1bn, demonstrating its commitment to support affordable living across the UK.

Jonathan Stevens, Head of European Infrastructure Debt at BlackRock, said:

"heylo housing plays an important role in supporting the provision of affordable housing in the UK and we're thrilled to assist its latest acquisition. The transaction demonstrates BlackRock's ability to provide sizeable, flexible debt solutions and our pursuit of investments aligned with clients' ESG commitments."

Today's portfolio acquisition follows Vistry Group's decision to commit 1,000 homes to the Home Reach programme, with a gross open market valuation of approximately £300m. They will be delivered over a two-year build programme across 89 sites within 62 local authorities.

Vistry Group's Chief Executive, Greg Fitzgerald, said:

"We have developed a great relationship with heylo's team, enabling hundreds of happy customers move into our homes across the country. Delivering affordable quality homes with a broad mix of tenures is embedded in our sustainability strategy. We look forward to continuing our work with heylo to help those individuals and families striving to get the keys to their dream homes."

Wayne Bennett, National Partnership Director of heylo, said:

"Continuous engagement with our investors, Homes England and our housebuilder partners has meant that Home Reach is now a widely recognised mainstream product suite sitting alongside Help to Buy and Part Exchange.

"We're working hard to help millions of people across the UK achieve home ownership. Housing supply continues to lag demand and so we're focused on the win-win-win: helping housebuilders build and sell the right mix of stock; enabling more people to get on in life and enjoy home ownership; and creating attractive, high-quality investment returns for providers of capital."

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In today's dynamic and complex global investing market, BlackRock Real Assets seeks to help clients access real assets that could help meet their investment goals by providing a distinct range of well defined, outcome orientated strategies, along the investment risk-return spectrum.

BlackRock Real Assets' dedicated teams of industry and sector specialists deliver global reach, with deep local expertise. They have decades of relevant experience, are deeply embedded in their operating industries by sector and geography and have developed strong partnership networks over time. BlackRock's culture of risk management, knowledge sharing and investment discipline sets BlackRock Real Assets apart and underpins all that they do. With over 390 professionals in 30 offices managing over US\$60 billion in client commitments as of December 31, 2020, BlackRock Real Assets partners with clients to provide solutions tailored to individual portfolio needs such as income, growth, liquid or balanced real assets outcomes.

About heylo

heylo makes home ownership accessible by expanding the part buy -part rent opportunities available. Operating in partnership with Homes England, with more than 200 local authorities, and with more than 90 housebuilders, heylo helps lower and middle-income households get on the housing ladder across England. www.heylohousing.com

Acquisition portfolio

The acquisition is of a portfolio of 3,000 shared-ownership properties that are situated across the UK, including the North West, South West, and Yorkshire. Most have been completed and purchased in the last three years and comprise semi-detached, terrace houses, purpose-built flats and detached houses under different social-housing schemes. These properties have demonstrated strong resilience in rent collection, even as the country managed the impact of the pandemic.

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