

GM Investment Funds

October 2021



Highlights

GMCA has over **£900m** of funds under management across commercial property, residential development and business. The funds are a clear example of how GM's approach to investment can deliver **exponential outcomes** through effectively investing and recycling. The approach to investment taken in GM is **unique** and illustrates what can be achieved where there is **medium term flexibility** in the deployment of funding.



£575m invested into residential property supporting the development of **7,793 new homes**. The Housing Fund is on track to achieve its target of delivering **10,000 new homes** across GM. The Fund was £300m at its inception in 2015 - to date that funding has been **recycled 1.9 times**.



£101m invested into business across all sectors, creating and supporting **9,104 jobs**. This from an initial funding pot of £66m.



£264m invested into commercial property supporting the development of **194,192sqm** of BREEAM accredited space and **c25Ha of Brownfield land** redeveloped – to date commercial property funding has been recycled more than **2 times**.

Highlights (continued)



£15m invested into **Social Impact Funds** which will deliver around **300 new homes** for vulnerable people across GM, including people with learning disabilities, people fleeing domestic violence, people sleeping rough or at risk of homelessness and asylum seekers.



£63m of lending on flexible and affordable terms to **SME developers** for the delivery of 607 new homes outside the city-centre.



The Life Sciences Fund which is a **partnership** with Cheshire LEP, Cheshire East and Bruntwood has supported over **40 businesses** across the region. Its success has led to the establishment of a second fund, to be launched in the New Year.

Highlights (continued)



Collectively the funds have generated over **£28m of income** of which:

- £12m relates to **Housing Fund surpluses** which are ringfenced to support GM's wider housing priorities, including Affordable Housing, Empty Homes and Rogue Landlords.
- £9m has been **ringfenced for investment into businesses**.



The Income has enabled the establishment of a **self funded Investment and Delivery Team**. As well as managing GMCA investment, the Team is working with local authorities to bring forward some of GM's most challenging opportunities for housing growth and has secured over £150m of additional government funding to do so.



Collectively £491m of government funding has been recycled into £940m of investment, demonstrating GM's capability to identify and manage opportunities where funding can be successfully recovered and re-invested, ensuring the maximum return for the public purse.

GMCA Supporting New Homes

Stockport Interchange

Stockport is extending even further, and the Interchange is going to be part of it. In order to fulfil the expansion and regeneration of Stockport, GMCA has approved up to £9.3m of patient equity investment and £21.5m senior debt funding.

The scheme includes a residential development alongside a multi-million-pound transformation of Stockport's existing bus station into a modern transport interchange. The project includes the creation of a public park, enhanced connectivity to the railway station, Mersey shopping centre and the River Mersey frontage.

The residential development will deliver 196 well needed new homes by 2024. It is a key component of plans to regenerate 130 acres of brownfield land to the west of the town centre, anticipated to be a catalyst for further private sector investment in the town.



GMCA Supporting New Homes

Let's talk
about social
investment

Resonance

GMCA has committed £5m alongside Big Society Capital, to provide housing for adults with learning disabilities, autism and mental illness in long-term hospital in-patient facilities and similar institutions. The Resonance Supported Homes Fund acquires, refurbishes and adapts properties to a high standard to suit the needs of every individual, enabling them to lead independent lives.

Properties are then leased to learning disability and mental health charity partners and specialist housing providers who will rent them to individuals, helping them manage their tenancies and properties and provide specialist support to help them live their lives with choice and independence.

resonance



GMCA Supporting New Homes



Deansgate Square

The development is delivering 1,508 new homes across 4 towers alongside 18,000sqft of new retail space. It has attracted significant investment into Manchester's Build to Rent market and has had a transformational impact on the Great Jackson street area. It is strategically positioned at the edge of Manchester city centre, adjacent to some of the city's priority regeneration neighbourhoods and formerly characterised by low grade industrial premises and surface parking.

Following the success of the scheme, Renaker is currently constructing a further 1,500 new homes in the area alongside a new public park, a new school & sustaining an estimated 1,000 construction jobs. GMCA has recycled a £70m loan across three phases of Renaker's Deansgate Square scheme.



Hive Homes

Hive Homes is a brand-new joint venture focussed on delivering family homes and is taking an open and transparent approach to land acquisition from GM based authorities. All profits realised by Hive Homes will be re-invested into GMCA and registered housing providers, creating further capacity for house building within GM.

Hive has concluded one site purchase (48 units) and has exchanged conditional contracts two others (130 units). There are seven further sites where terms have been agreed and contracts for purchase are being drawn up (a total of 542 units). Seven of these sites are brownfield and are parcels of land which otherwise would not have been built upon.

GMCA Supporting Commercial Property Development

Didsbury Technology Park

Leading regional property company Bruntwood secured a £3.3 million loan from the Greater Manchester Evergreen 2 Fund, which was used to develop Phase One of Didsbury Technology Park.

With the development being speculative and therefore not suitable for traditional bank funding, the Evergreen 2 loan allowed Bruntwood to move forward with its plan to deliver c20,000 sq ft of key research and innovation-led Grade A office space. It will also contribute to an element of the infrastructure costs required to enable Phases Two and Three of the development which is in a key location along the Princess Parkway.

Once complete, the site will provide over 155,000 sq ft of new purpose-built commercial workspace.



GMCA Supporting Commercial Property Development

Logistics North

Based in Bolton, £10m of commercial funding supported the delivery of critical infrastructure needed to unlock the development of a major opportunity for new industrial and warehousing facilities.

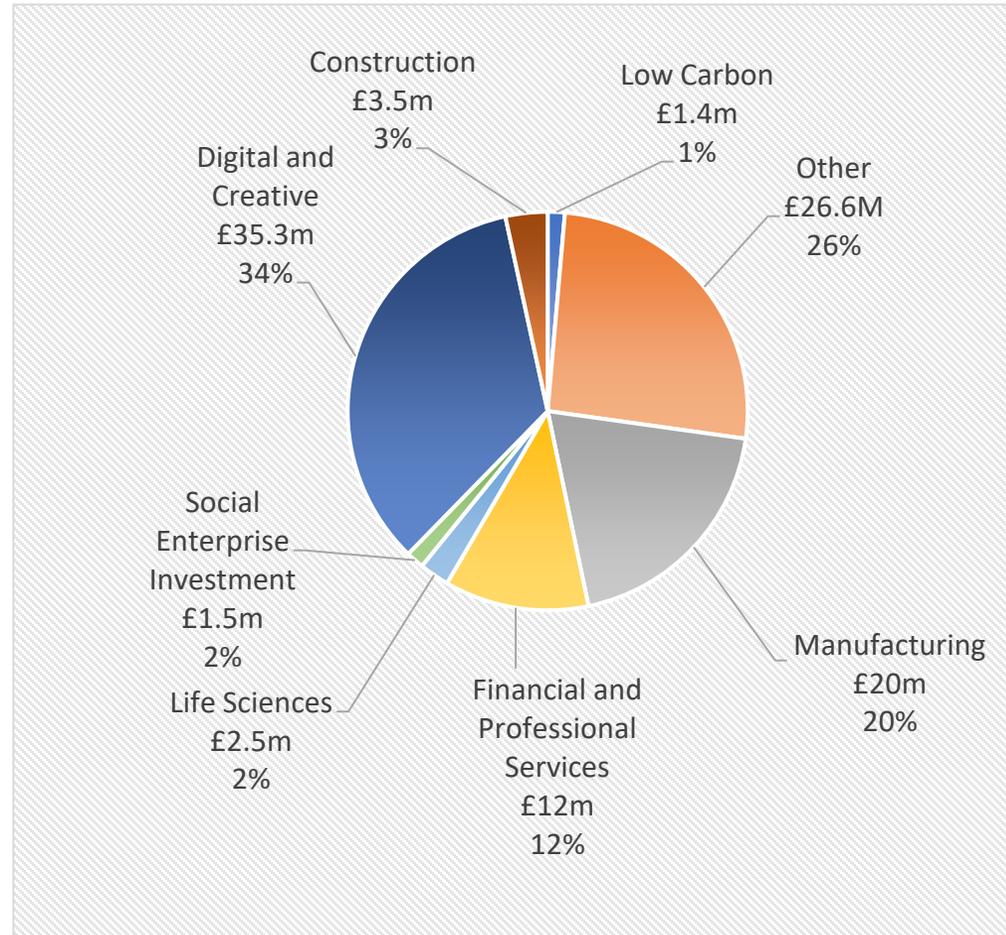
The site provides circa 3.95 million sq. ft of general industrial and storage space with units ranging from 15,000 sq. ft – 1,000,000 sq. ft to appeal to a variety of occupiers.

Since our original loan, c3.5m sq ft of employment space has been developed at Logistics North and in 2020 a further £3m loan was agreed from Evergreen 1 to support a further speculative warehousing unit.



GMCA investing into business

- Business funding has been deployed across a range of sectors with over a third of investments made into the digital and creative sector, supporting the increasing profile of this sector across the region



GMCA Supporting Businesses

Shopblocks - £735k

Shopblocks is an exciting emerging tech business operating out of Stockport. The cutting-edge company is providing jobs to young people within the area and taking advantage of the Kickstarter scheme. The business employs 39 people and is looking to hire 24 more over 2 years.

Shopblocks. 

Bank North - £1.5m

Bank North is a FinTech-enabled bank headquartered in Manchester, fresh from receiving its UK bank licence (AWR) from the Prudential Regulation Authority in September 2021. Combining uniquely customised technology with the trust of face-to-face banking, Bank North is set to support regional SME's when it is needed most.

Bank North®
↑

Zuto - £1m

Zuto is a purpose led fintech, focused on transforming the way customers finance cars. GMCA's growth funding was a catalyst for Zuto's rapid growth, providing it with a pathway to access private capital which has subsequently led to the creation of over 250 jobs in Manchester over the last 18 months, with further growth to come.

Zuto 

GMCA Supporting Businesses

Swim – £2.5m

Headquartered in Bury, swim! is filling the gap of public funded swimming, teaching this key life skill to children ages 0-11. By designing and building their own bespoke centres, training their own people and delivering best in class lessons, swim! are redefining the UK's Learn to Swim market.

swim!

