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PROFESSIONAL

Home REIT

REITs | IPO note | 14 September 2020

Tackling homelessness

Home REIT is a newly-established closed-ended investment company. It is looking to raise £250m to acquire and create a portfolio of homeless accommodation across the UK, let on long-term index-linked leases and delivering a much-needed positive social impact.

The company will target inflation-protected income and capital returns through investment in a diversified portfolio of homeless accommodation assets, let or pre-let to registered charities or housing associations that receive housing benefit from local or central government. It will aim to achieve a total shareholder return of 7.5% per annum over the medium term.

Home REIT will seek to add crucial high-quality fit-for-purpose accommodation and offer a sustainable cost-effective solution to local authorities, all of which have a statutory duty to house people who are homeless or at risk of being homeless.

Quarterly dividends of 5.5%

Home REIT is targeting a yield of 5.5% on the initial issue price, to be paid quarterly, with the potential to grow this in absolute terms. The company's dividend yield target is expected to be underpinned by secure and long-term lease agreements, funded ultimately by central government, which incorporate regular inflation-linked upward only rental growth. This enables Home REIT to offer a low-risk, inflation protected income stream to investors.

The details of the share issue, including the risk factors that investors should take into consideration, will be more fully described in the prospectus to be published on 22 September 2020 and we urge readers to read this before making any investment decision.

Sector	Property - residential
Ticker	HOME LN
Base currency	GBP
Domicile	England and Wales
Closing date for applications/ commitments	7 October 2020
Admission date	12 October 2020
Investment adviser	Alvarium Home REIT Advisors

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Investment summary

Home REIT is exclusively dedicated to tackling homelessness in the UK. It is targeting an initial fundraise of £250m that it will use to acquire and create a portfolio of homeless accommodation, bringing new supply to meet significant demand and deliver critical social impact.

The proposition

The investment objective of the company is to deliver inflation-protected income and capital growth over the medium term for shareholders by funding the acquisition and creation of high-quality homeless accommodation across the UK, let on long-term index-linked leases.

The homeless accommodation assets will be let or pre-let to specialist housing associations and registered charities on long-term and index-linked leases (typically 25 years in duration). Rent paid by the housing association or charity tenant is funded through the provision of housing benefit from local or central government (more detail on page 7).

The company is targeting a minimum annual dividend yield of 5.5% and a total shareholder return of at least 7.5% per annum over the medium term, when fully invested. These targets are based on estimates prepared by the company and its investment adviser, and are not guaranteed. The returns promised by Home REIT are much higher than traditional sources of income such as UK government bonds and cash deposits.

Track record

The team at Home REIT's investment adviser, Alvarium Home REIT Advisors, has a proven track record in the homeless accommodation sector, having launched the private social impact real estate fund in October 2018 and grown it to become one of the largest social impact funds in Europe, with a net asset value of £430m.

The fund, which is a private fund exclusively for UK corporate pension funds, has amassed a portfolio of 620 properties with 3,750 beds, across 55 different local authorities in the UK. The portfolio accommodates homeless people from many backgrounds including mental health, ex-offenders, drug and alcohol dependency, domestic violence and foster care leavers. The portfolio has an occupancy rate of 96%.

All of the properties were bought off-market at an average acquisition yield of 5.75%. The fund's most recent valuation yield was 5.35%, reflecting the uplift in rent achieved through inflation-linked leases. The average lease length in the portfolio is 25 years. The strength and resilience of the sector has been evident during the COVID-19 pandemic, where 100% of rents have been collected.

Home REIT will have a right of first refusal on new target assets over the private fund.

Tackling homelessness

According to Shelter, the homelessness charity, more than 320,000 people are estimated to be homeless in Great Britain. Sleeping rough is the most extreme form of homelessness, but most people categorised as homeless have no permanent home, stay with relatives and friends or reside in temporary accommodation, such as bed and breakfast hotels (B&Bs), hostels, night shelters and refuges.

The causes of homelessness are varied and complex and include lack of affordable housing; drug and alcohol dependency; leaving institutional settings such as prisons, foster care and armed forces with no home to go to; eviction by private landlords; relationship breakdowns; domestic violence; and mental illness.

In England, a household became homeless every four minutes between 2018 and 2019, according to the Ministry of Housing, Communities & Local Government. There was an 11% increase in the number of people sleeping rough or in temporary accommodation in England from Q2 2016 to Q1 2019, according to Shelter.

As Figure 1 shows, different regions in England are experiencing varying rates of homelessness. The company will aim to significantly invest in areas where homelessness is a growing problem in order to increase the availability of high-quality, fit-for-purpose housing stock while maintaining a diversified portfolio.

Figure 1: Growth in homelessness in England by region

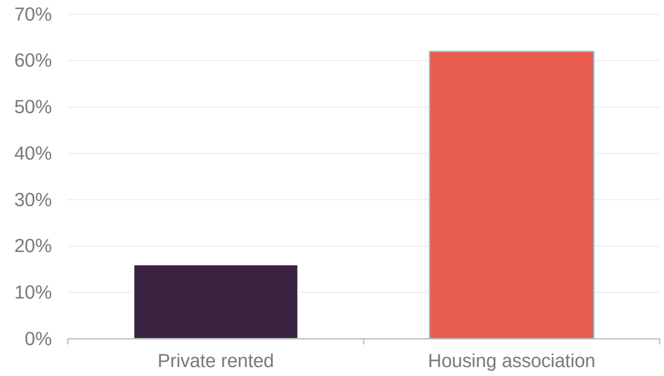
Region	People sleeping rough or in temporary accommodation (Q2 2019)	Change since Q2 2016
South East	24,195	27%
South West	7,127	0%
East	16,696	18%
East Midlands	4,818	50%
West Midlands	23,715	64%
Yorkshire & Humber	2,654	16%
North East	1,061	4%
North West	9,038	117%
London	170,068	4%

Source: Shelter

The impact of homelessness on people's lives is devastating, significantly affecting their physical and mental health. Homeless people are estimated to be 10 times more likely to die than those of a similar age, with the average age of death for a homeless person being just 47 years old, according to Crisis. The Office for National Statistics found that the number of homeless people dying in England increased 22% in 2018 over 2017.

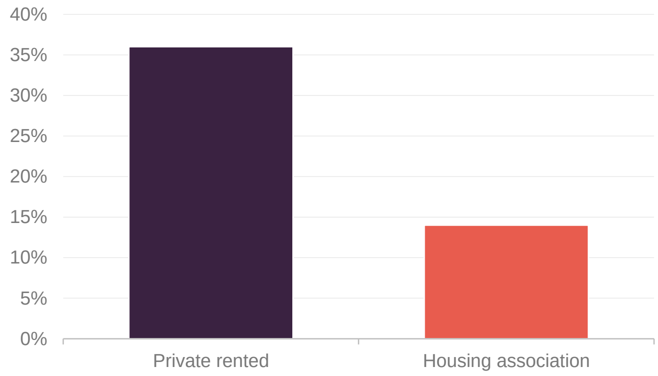
Homeless individuals housed in accommodation let to specialist housing associations, as opposed to private landlords, have been found to be substantially less likely to return to homelessness, as illustrated in Figures 2 and 3.

Figure 2: Still in accommodation after five years



Source: The Policy Institute: King's College London (2016)

Figure 3: Returned to homelessness after five years



Source: The Policy Institute: King's College London (2016)

Local authorities are under a statutory duty to secure accommodation for families or individuals who are unintentionally homeless and in priority need. They also have a duty to provide meaningful help to any person who is homeless or at risk of becoming homeless irrespective of their priority need status. The Homelessness Reduction Act 2017 came into force on 3 April 2018, and states that:

- local authorities have a duty to take steps to prevent homelessness for all eligible applicants threatened with homelessness, regardless of priority need;
- local authorities have a duty to take steps to relieve homelessness for all eligible homeless applicants; and
- certain public services – including probationary services, domestic violence charities, mental health organisations, police, NHS, local authority, local homeless charities, religious organisations – have a duty to notify a local authority if they come into contact with someone they think may be homeless or at risk of becoming homeless.

The long-term security of tenure that Home REIT will provide housing associations and registered charities with allows them to make a sustained impact on the lives of individual tenants. Security of tenure allows a long-term programme of training and rehabilitation to take place at the properties to provide individuals with the skills and confidence to find long-term accommodation and to reintegrate back into society.

Two-thirds of people released from prison without accommodation reoffend within a year, at a cost of £16bn to the UK economy, according to the Ministry of Justice. The Institute for Policy Research has estimated that a 20% reduction in reoffending could be achieved by the provision of stable housing to prison leavers.

Demand drivers

Current accommodation for the homeless is limited in quantum and often sub-standard and uneconomical. Poor-quality privately rented housing stock or expensive B&Bs are frequently being utilised by local authorities to manage increasing demands for accommodation. Between Q1 2011 and Q2 2018 the number of households placed in temporary accommodation in England increased by 65% and between Q1 2018 and Q1 2019, the total number of households accommodated in B&Bs in England increased by 14.8%.

The current lack of purpose-built accommodation for the homeless is felt acutely by local authorities. A research project commissioned by Crisis revealed that the fastest-growing component of homelessness is households living in unsuitable temporary accommodation; the proportion of homeless situations attributable to such accommodation increased 260% between 2010 and 2018. This reflects the growing pressure on local authorities as increased demand has faced a static or falling supply of accommodation.

The fundamentals driving the continued growth and performance of the company are:

- the critical need for further accommodation for the homeless in the UK, due to an increasing homeless population and a lack of available and affordable high-quality, fit-for-purpose stock to address the problem;
- the statutory duty placed on local housing authorities to secure accommodation for people who are unintentionally homeless and in priority need and provide meaningful help to any person who is homeless or at risk of becoming homeless, irrespective of any priority need status; and
- the increasing unsustainable cost borne by local authorities in providing accommodation to the homeless. The severe shortage in fit-for-purpose housing stock means that local authorities often house individuals in B&Bs and guesthouses which, on average, are over 60% more expensive than the expected cost of housing an individual in one of the company's properties.

How it works

Home REIT will use the proceeds of the IPO to fund the acquisition and creation of specialist homeless accommodation. The assets will comprise:

- conversions of existing buildings (defunct care homes, B&B’s, offices);
- refurbishments of existing, poor-quality shelters; and
- forward funding of new build properties.

All of the assets will be located in city or town centres, and therefore provide strong residual value through alternative use value, such as student accommodation or private rented sector residential.

The assets will typically be acquired from private owners/developers with referrals from housing associations, local authorities and charities. They will be let or pre-let to housing associations or registered charities and operated by care providers and specialist charities. Home REIT is a passive landlord and has no responsibility for the operation of the assets or the care provided to the individual tenants.

The leases are ‘triple net, full repairing and insuring’ in nature, meaning the tenant (in this case the housing association or charity) is obligated to pay all taxes, building insurance, other outgoings and repair and maintenance costs on the property, in addition to the rent and service charge. Under such a lease, the tenant is responsible for all costs associated with the repair and maintenance of the building.

Rent will be set at affordable levels and leases will contain regular upward-only rent reviews typically linked to an inflation index, such as the Consumer Price Index (CPI), with a minimum and maximum level. Alternatively the leases may have a fixed annual growth rate. Such rental reviews normally take place annually, with the rent review delivering an increase in the rent at the growth rate, compounded over the period. In this way, the income expected to be delivered to shareholders is expected to exhibit inflation-linked income characteristics.

Figure 4 shows that inflation growth forecasts are materially higher than open market rental growth forecasts.

Figure 4: Inflation forecast vs open market rental growth

Year	CPI p.a.	Open market p.a.
2020	1.0%	(6.3%)
2021	1.4%	(1.3%)
2022	1.7%	0.8%
2023	1.8%	1.2%
2024	1.8%	1.2%
Average	**1.54%**	**(0.8%)**

Source: HM Treasury Medium Term Forecasts for the Economy – May 2020, Investment Property Forum UK Consensus Forecasts (Spring 2020)

The sector is made up of dozens of specialist housing associations or charities that have been set up to address specific problems within homelessness, such as ex-offenders, domestic violence or drug and alcohol dependency. Due diligence will be undertaken to ensure that tenants are well capitalised and have a good funding structure in place. In the event of a tenant failure, Home REIT can forfeit the lease and reassign to a different housing association or charity.

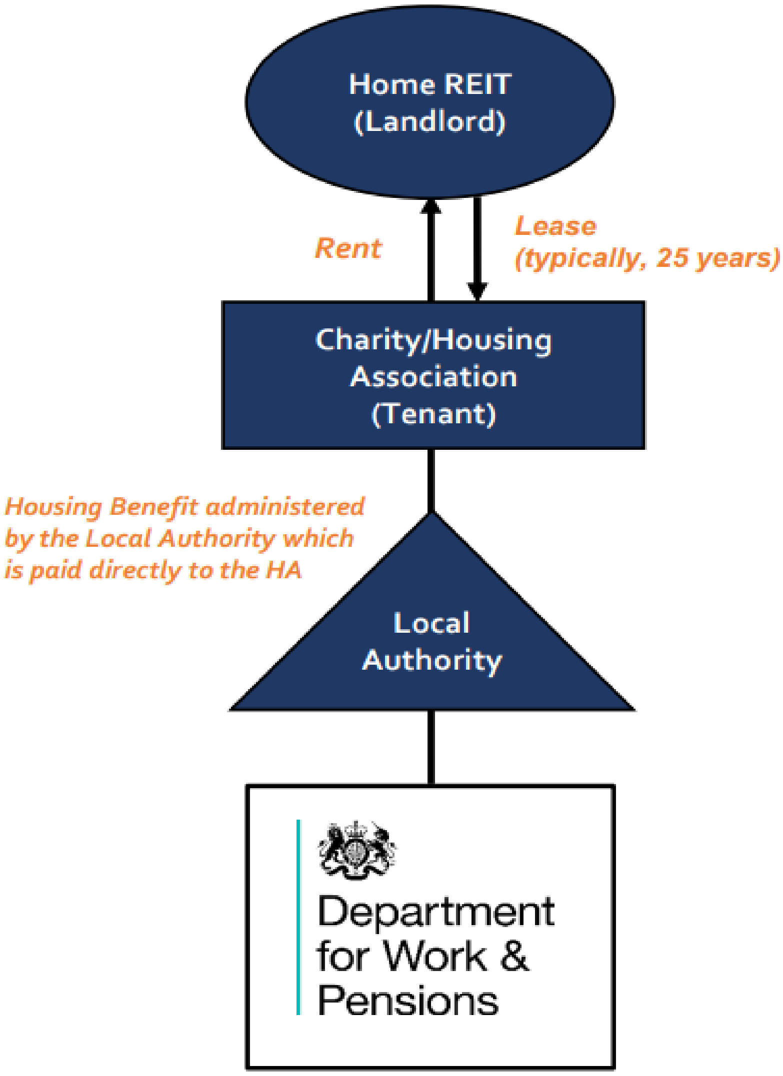
Lease structure

The housing association or registered charity that enters into a lease with Home REIT is paid directly by the local authority through housing benefit for each individual tenant. The local authority is funded by the Department of Work and Pensions, which covers 100% of the cost for care and housing benefit for each individual tenant housed in homeless accommodation.

The income flow to the company is funded through the provision of 'exempt' housing benefit paid directly to the housing association tenants from the relevant local authority. Such exempt status prevents local authorities from restricting the level of rent recoverable by housing association tenants via housing benefit and enables such tenants to recover the full costs of providing additional support and services to residents.

Homeless accommodation is classified as ‘exempt accommodation’ in housing benefit as the accommodation is in the social sector and the benefit claimant is receiving care, support or supervision. The uncapped benefit entitled to local authorities through ‘exempt accommodation’ gives them a clear incentive to house homeless individuals in supported accommodation over temporary accommodation, such as B&Bs. The limited supply of fit-for-purpose homeless accommodation means many local authorities have no alternative but to house homeless individuals in expensive temporary accommodation, the cost of which cannot be claimed through housing benefit as it does not offer care or support to the individual.

Figure 5: Lease funding structure



Source: Alvarium Investments

By housing individuals in homeless accommodation, local authorities can make huge cost savings by moving the existing cost off their balance sheet. Figure 6 is an indicative representation of the rental price differential between temporary accommodation and Home REIT accommodation.

Figure 6: Cost differential of homeless accommodation

Location	Home REIT weekly rent per user	Average weekly rate for local B&B	Saving
Liverpool, L6	£58	£225	74%
Manchester, M20	£66	£225	71%

Source: Alvarium Investments

According to Shelter, local authorities in England spent more than £1bn on housing homeless people in temporary accommodation, such as hostels, B&Bs and private rentals, in the financial year 2018/19. The Ministry of Housing, Communities and Local Government states that between 2014 and 2019, local authority spending on housing homeless people in B&Bs alone increased by 111%.

The directors of Home REIT have stated that rents will be set at an affordable and sustainable level, with significant headroom between total housing benefit received by the housing association or registered charity. The headroom between core rent and housing benefit allows the housing association to cover the management charge and the cost of running the accommodation, including the upkeep of the building. It also allows for the housing association to generate a surplus.

Across the company's portfolio, the average rent payable by the housing association will be around 40% of the total housing benefit received per property providing a robust 2.25x portfolio rent cover. Rents will be pre-agreed with the local authorities and leases will typically have inflation-linked annual rent reviews capped at 4% per annum and collared at 1% per annum. This ensures rents grow in a sustainable manner.

The legal obligation on local authorities to take steps to house individuals threatened with homelessness, from the Homelessness Reduction Act 2017, provides Home REIT with added downside protection in the event that a housing association or charity fails or is incapable of continuing to operate. A new lease may be entered into directly between the local authority and Home REIT to continue to house and support individual tenants.

Social impact

As previously discussed, Home REIT will deliver significant social impact. The advisor intends to become a signatory to the UN-supported Principles of Responsible Investment (PRI), which represents a global standard for asset owners, investment managers and service providers to incorporate environmental, social and corporate governance (ESG) policies into investment practice. By way of comparison, the private social impact fund launched by the management team has attained an ‘A’ grade by UNPRI, the highest grade available.

By the nature of its business, Home REIT will deliver substantial social benefit. It will create a portfolio of, and add to the supply of, fit-for-purpose accommodation for homeless individuals. Offering a long-term tenure to specialist housing associations and charities will allow them to provide pastoral care to individuals to develop the necessary confidence and skills to reintegrate back into society. The advisor has stated it will donate a proportion of its management fee to Crisis, the leading homeless charity in the UK.

On the environmental front, the directors say it will implement 'green leases' to encourage its tenants to adopt appropriate strategies for the improvement of the property's environmental performance, including: energy and water consumption; waste generation; and emission of greenhouse gases. Through the refurbishment of properties, the Energy Performance Certificate (EPC) ratings will be substantially improved. Due to the town/city centre location of the assets, local amenities and transport will be nearby, reducing the carbon footprint of the portfolio.

On the governance side, shareholders will have equal voting rights and Home REIT will have an independent and diverse board.

Generating returns

Through inflation-linked, long-term leases, Home REIT will have a secure growing income stream. The company's portfolio will provide an effective hedge in low inflationary environments through the provision of a collar on annual inflation linked rent reviews in the vast majority of leases, meaning that rental growth will be protected should inflation drop below the collar. In order to ensure that rents are sustainable, these leases will also include rental growth caps per annum, which avoids onerous rental increases for the company's tenants in the event of extreme inflation.

In addition to a secure growing income stream, the company will also target capital growth through:

- the capitalisation of rental increases following inflation-linked rent reviews;
- yield compression in the long dated secure income sector;
- focussing on 'off market' transactions, benefitting from favourable purchase prices;
- the net purchase price on forward funding assets being at a discount to completed values and therefore providing scope for 'natural' yield compression as soon as the property is constructed; and
- early mover advantage in the sector.

Investment process

The investment adviser will utilise its extensive contacts in the UK real estate market to source investment opportunities for the company, in particular through its longstanding and strong relationships with tenants/operators, local authorities, charities, housing associations, developers and banks, in addition to an existing wide reaching network of investment agency contacts.

The company will review and approve each opportunity based on the following investment considerations:

- experienced tenant with robust financials and a proven operating track record;

- very long unbroken lease terms, typically 20 to 30 years (to earlier of first break and expiry);
- triple net leases directly linked to inflation or with fixed uplifts;
- sub-sector and tenant diversification; and
- strong residual land value.

Home REIT will only buy in towns and cities in the UK, with a primary focus on England, where the asset has a residual value and alternative use value, such as student accommodation or residential. The typical lot size will be between £1m and £10m.

Once a potential property opportunity has been identified, initial due diligence on the potential property investment will be undertaken, which will include:

- undertaking in-depth legal due diligence on the asset;
- carrying out a full structural survey and agreeing a full scope of refurbishment works required;
- conducting thorough financial and governance due diligence on the registered charity/housing association to ensure it has sufficient balance sheet and P&L strength to meet lease obligations; and
- working with the developer to ensure the registered charity/housing association is sufficiently capitalised as part of the transaction including; one-year rent cover and sinking fund contribution.

The company will meet with the local authority and registered charity/housing association to agree the core lease rents to ensure they are at a low and sustainable level and have full local authority support. It will also discuss specific homeless needs and requirements in their borough (such as domestic violence, ex-offenders or drug and alcohol addiction).

Post-acquisition, the manager will carry out the following asset management and monitoring steps:

- annual site visits to ensure the assets are being well maintained and the underlying occupants are receiving the required care and support; and
- continued monitoring and due diligence on the housing association including balance sheet and governance analysis.

Forward funding developments

The company will not assume any direct development risk. It may, however, forward fund developments of new fit-for-purpose homeless accommodation. The fixed-price forward funded developments will be pre-let to an acceptable tenant with full planning permission in place. The company will seek to negotiate the receipt of immediate income from the asset, such that the developer is paying the company a return on its investment during the construction phase and prior to the tenant commencing rental payments. The purchase price on forward funding assets tend to be at a discount to completed values, and therefore provides scope for yield compression as soon as the property is constructed.

Where the company invests in forward funded developments:

- it will not acquire the land until full planning consent and tenant pre-lets are in place;
- it will pay a fixed price for the forward funded purchase, covering land, construction cost and developer's profit;
- all cost overruns will be the responsibility of the developer/contractor; and
- if there is a delay to completion of the works, this will be a risk for the developer/contractor, as they will pay the company interest/rent until practical completion occurs.

Investment restrictions

In order to achieve a portfolio that is diversified by property, tenant and location, the company will be subject to the following investment restrictions:

- the value of no single property, at the time of acquisition, will represent more than 5% of gross asset value or, if not yet fully geared, gross asset value adjusted for portfolio geared at 35% loan to value;
- the maximum exposure to any one tenant will not be greater than 15% of gross asset value or, if not yet fully geared, gross asset value adjusted for portfolio geared at 35% loan to value;
- the maximum exposure to properties located within the boundary of any one local authority will not be greater than 15% of gross asset value or, if not yet fully geared, gross asset value adjusted for portfolio geared at 35% loan to value;
- the maximum exposure to forward funded developments will not be greater than 20% of gross asset value or, if not yet fully geared, gross asset value adjusted for portfolio geared at 35% loan to value; and
- the maximum exposure to any single contractor in connection with any forward funded developments will not be greater than 10% of gross asset value or, if not yet fully geared, gross asset value adjusted for portfolio geared at 35% loan to value.

Pipeline of acquisitions

Home REIT intends to invest the net issue proceeds as quickly as practicable following admission, and the investment adviser estimates it should be substantially invested or committed within six to nine months. The company has a current pipeline of potential property acquisitions worth more than £350m under exclusivity, having already commenced negotiations and discussions with vendors. The company will acquire the assets directly or through holdings in special purpose vehicles (SPVs).

Drawing on the long-term relationships built up by the management team, the properties will be acquired from housing associations, care providers, charities and developers on an off-market basis, with the benefit of no open-market bidding processes that have the potential to escalate the purchase price.

The assets are located in the UK and will be let or pre-let on long (typically 20 to 30 year) leases, with rents indexed upwards only in line with inflation, to a diverse number of registered charity tenants and housing associations across a diverse range of sub-sectors within homelessness, such as ex-offenders, domestic abuse victims and individuals with alcohol, drug and mental health issues.

Capital structure

The company will be structured as a real estate investment trust (REIT) and have a premium listing on the main market of the London Stock Exchange. It will look to issue 250m shares at 100p each in the first issue, but has reserved the right to increase the size of the first issue to 300m.

Under REIT legislation, Home REIT will be exempt from UK corporation tax on UK property investment income and gains on UK property. It must pay out 90% of underlying tax-exempt property income to shareholders as property income distributions (PID) within 12 months.

Valuations of the company's properties will be conducted twice a year. It has appointed Knight Frank LLP as its independent valuer for the purposes of establishing the fair value of the company's property portfolio on the basis of market value in accordance with the internationally accepted RICS Appraisal and Valuation Standards.

The NAV will be calculated twice a year by the administrator on the basis of the independent valuation of the company's properties and in accordance with IFRS.

Gearing

The directors of Home REIT have said the company will maintain a conservative level of aggregate borrowing with a maximum loan to value of gross assets of 35%, to seek to enhance returns over the long term. Debt will be secured at the asset level and potentially at the company or SPV level, depending on the optimal structure for the company and having consideration to key metrics including lender diversity, debt type and maturity profiles.

Premium/discount management

The directors consider it undesirable for the market price of the shares to diverge significantly from their NAV.

The company may issue new shares if it is trading at a premium to NAV. The directors have authority to issue shares on a non-pre-emptive basis up to 20% of its issued ordinary share capital immediately following IPO. This permission expires at the first AGM, which is expected to be held in 2022, and thereafter renewal of this authority will be sought at each AGM.

No shares will be issued at a price less than the (cum-income) NAV per existing share at the time of their issue.

If the company's shares are trading at a discount, the directors will consider repurchasing shares on an ad hoc basis. The directors have the authority to repurchase up to 14.9% of the ordinary shares in issue immediately following IPO. Shares will be repurchased at prices below the prevailing NAV per share, which should have the effect of increasing the NAV per share for the remaining shareholders. The maximum price (exclusive of expenses) paid for an ordinary share will not be more than 5% above the average of the mid-market values of the shares for the five business days before the purchase is made. Renewal of the authority to make market purchases will be sought at each AGM.

Ordinary shares repurchased may be held in treasury or cancelled. Treasury shares may be reissued at a later date, but not at a price less than NAV.

Dividend policy

When the net issue proceeds have been fully invested, the minimum targeted annual dividend yield will be 5.5%, based on the issue price of 100p per share, with the potential to grow the dividend through upward-only inflation-protected long-term lease agreements.

The company intends to pay dividends on a quarterly basis in cash and in the first financial period while the net issue proceeds are being deployed, the company intends to pay a minimum total dividend of 3p per ordinary share.

To comply with REIT status, the company will distribute at least 90% of the income profits for each accounting period.

Fees and costs

The costs and expenses of the issue have been fixed at 2% of the gross issue proceeds. Assuming £250m was raised, the costs and expenses of the issue payable by the company will be £5m. This will be borne by the company and deducted from the gross issue proceeds and it is expected that the starting NAV per share will be around 98 pence (assuming 250m shares are issued). No expenses will be charged to investors by the company.

Investment adviser fee

Home REIT's investment manager, Alvarium Home REIT Advisors, is entitled to a fee, based on total net assets, of:

- 0.85% per annum of NAV up to and including £500m;
- 0.75% per annum of NAV above £500m up to and including £750m;
- 0.65% per annum of NAV above £750m.

No performance fee is payable to the investment adviser. In addition, no fees are payable to the investment adviser on any cash raised under the issue that remains undeployed more than six months after admission.

Other ongoing charges

Company secretarial and administration fees

The administrator, Apex Fund and Corporate Services (UK) Limited, is entitled to receive an administration fee for the provision of certain administration services to the company calculated at an annual rate of: 3 basis points of NAV up to £200m; 2 basis points of NAV above £200m and up to £500m; and 1.5 basis points of NAV in excess of £500m, subject to a minimum monthly fee of £5,000.

The administrator is also entitled to a company secretarial fee of £60,000 per annum for the provision of certain company secretarial services.

The administrator is entitled to additional fees for providing any additional services to the company which are outside the scope of the administration and company secretarial services.

Depositary

The depositary, Apex Depositary (UK) Limited, is entitled to receive a fee calculated at an annual rate of 2 basis points of NAV up to £200m and 1.5 basis points of NAV in excess of £200m. The depositary is also entitled to a one-off set-up fee.

Registrar

The registrar, Link Market Services Limited, is entitled to an annual maintenance fee per shareholder account per annum subject to a minimum annual fee. The registrar is also entitled to certain transaction fees under the registrar agreement.

Directors' fees

Save for the chairman, the initial fees will be £36,000 for each director per annum. The chairman's initial fee will be £50,000 per annum. In addition, the chair of the audit committee will receive an additional fee of £5,000 per annum.

Investment adviser

Alvarium Home REIT Advisors is part of Alvarium Investments, a multi-family office and asset manager with over £15bn of assets under management including £7bn of real estate. The core management team of the investment adviser is supported by a team of other accounting, asset management, compliance, marketing, public relations, administrative and support staff. The key individuals responsible for executing the company's investment strategy at the investment adviser are Jamie Beale, Gareth Jones, Charlotte Fletcher, Simon Haarer and Alex Mattey. Together, the advisory team has transacted over £1.5bn including for a social impact homeless accommodation fund and a FTSE 250-listed commercial real estate long income REIT.

Jamie Beale (partner)

Jamie Beale has significant transaction and sector experience in the long income, social housing and forward funding real estate space. He was previously a partner at FTSE 250-listed long income real estate investment trust LXI REIT, where he helped launch the company in 2017. Prior to this, he practised as a commercial property solicitor in the City of London, where he acted for leading developers and property funds on a variety of deals, ranging from large-scale residential developments to substantial commercial property transactions. He founded a private social impact fund in 2018, growing it to become one of the largest social impact funds in Europe.

Gareth Jones (partner and chief financial officer)

Gareth Jones has been active across various disciplines across UK equities and the fund management market for over 10 years after beginning his career qualifying as a chartered accountant with Ernst & Young. Having performed as chief financial officer for both public and private companies, Gareth went into fund management in 2015, overseeing the finance function for a newly established social housing private equity fund. Prior to joining Alvarium in 2018, he was a director at Civitas Housing Advisors, investment advisor to Civitas Social Housing plc.

Board

The non-executive and independent board of directors is made up of:

Lynne Fennah (non-executive chairman)

After obtaining a degree in finance at Liverpool John Moores University, Lynne joined Moore Stephens and qualified as a chartered accountant. Lynne then joined American Express and during her tenure held positions in corporate audit and travel business reporting, both roles covering the EMEA region, and a globally-focused process re-engineering project role. Lynne then joined The Goodwood Estate being promoted to finance and IT director in 2005, a board position with responsibility for the finances of all group companies across a portfolio of primarily hospitality focused operations. She became European chief financial officer for the Toga Group in 2008, with responsibility for the development of hotels and management of commercial property investments. In 2012, Lynne joined Palmer Capital, an FCA-authorised real estate investment management company, as chief financial officer with responsibility for overseeing the company's financial and taxation matters.

Marlene Wood (non-executive director)

Marlene Wood is a chartered accountant with a broad range of experience in both the private and public sectors and is currently a non-executive director and chair of the audit committee of GCP Student Living plc and RM Secured Direct Lending PLC and a non-executive director of RM ZDP PLC. Until 2019, she was deputy chair and chair of audit committee of the Scottish Funding Council for Further and Higher Education. She spent 20 years with the Miller Group, a major UK property business, predominantly as finance director for Miller Developments, the property development and investment arm, and latterly as group accounting and treasury director. Marlene is currently non-executive director and treasurer for One Parent Families Scotland.

Peter Cardwell (non-executive director)

Peter Cardwell served as a special adviser in the UK government from 2016 to 2020. He worked for four Cabinet ministers in four departments: the Northern Ireland Office; the Home Office; the Ministry of Housing, Communities & Local Government; and the Ministry of Justice.

At the Ministry of Housing, he advised Housing Secretary Rt Hon James Brokenshire MP on homelessness. Rough sleeping dropped by 2% and then 9% annually as a result of the policies on which Peter advised. He also undertook outreach shifts with sector charities while advising on homelessness and had frequent interactions with organisations such as Crisis.

After being educated in Northern Ireland, Peter studied at St Hugh's College, Oxford, before winning a Fulbright Scholarship to Columbia School of Journalism, New York. He was a broadcast journalist for 10 years, working for the BBC in London, Washington DC, New York and Belfast, as well as for Sky News, Channel 5 News, UTV and ITV's Good Morning Britain. He is a frequent political commentator for the UK and international broadcast and print media.

Simon Moore (non-executive director)

Simon Moore is a consultant senior investment analyst. He has been an investment trust analyst since 1994 and has worked with several stockbrokers in the City of London, including Williams de Broe, Teather & Greenwood and Collins Stewart. He was also senior investment manager at Seven Investment Management and head of research at Tilney Bestinvest and senior investment analyst at EQ Investors. Simon is a long-standing member of two important committees at the Association of Investment Companies: the Statistics committee and the Property and Infrastructure Forum. For three consecutive years, Simon was chosen as one of the Citywire Wealth Manager Top 100 most influential people in UK private client fund selection. Simon is a scientist by training and has worked at two start-up UK biotechnology companies, before passing on his knowledge and passion as a science tutor for the Open University. He has a Biochemistry BSc from Imperial College, and an MSc in Computer Modelling of Molecules from Birkbeck College. He is a member of the UK Society of Investment Professionals and the CFA institute.

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