

# UK AFFORDABLE HOUSING REAL ESTATE INVESTMENT CRITERIA 2025

## AFFORDABLE HOUSING

Lot size	GBP 15-20 million+
Location	UK Regional and London
Risk profile	Core / Core+ (no planning risk)
Specifics	Supporting residents and local communities in the UK, by increasing the number of affordable homes, whilst delivering positive social value and providing attractive, stable and progressive returns to investors.
Target Income / Return	4.0% distribution yield / 6-7% IRR (unlevered)
Geography	UK (Nationwide)
Project Status	Forward Funding, Forward Commitment, Acquisition (inc. Sale and Leaseback)
Age of Building	Typically new build (additionality) but can consider refurbishments / repositioning
Tenant	Local Authorities or mid-tier Housing Associations with 5-25,000 units and RSH rating of V1/G1 (or one indicator at 2)
Lease	Typically 20-year – Management Lease or FRI Lease of Whole
Indexation	100% inflation-linked (CPI+1%, CPI or RPI+0.5% depending on tenure)
Target Tenures	Regulated Affordable: General Needs (Social Rent, Affordable Rent, Shared Ownership) or Specialist (Extra care, Homeless, Supported Living)
ESG / Sustainability	Minimum MEES Compliant (EPC $\geq$ C) – strong preference for green energy technology and measures which minimise occupational costs for residents
Social Impact*	Externally assessed. Schemes must meet minimum internal assessment score.



Edmond de Rothschild REIM (EDR REIM) is a vertically integrated European real estate business, which provides in-house services covering portfolio management, financial management, asset management, property management and development management.

EDR REIM manages € 13bn of commercial and residential real estate on behalf of institutional clients, private clients and property companies and is a pan-European platform with local presence and local knowledge.

EDR REIM is a conviction driven investment house with a focus on sectorial and thematic convictions. Thereby ESG and sustainability is embedded within all our strategies.

## KEY CONTACTS

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# UK AFFORDABLE HOUSING

## REFERENCE ACQUISITIONS

### EXTRA CARE



#### UNITED KINGDOM - ISLE OF WIGHT

2020

GBP 11.0 million

6,095 sqm

20-yr Management Lease to Southern Housing  
Rent indexed annually to CPI+1% Accommodation  
with: Extra Care + General Needs (Affordable  
Rent + Shared Ownership) 102 homes (75  
apartments, 27 bungalows)

Isle Of Wight, United-Kingdom

Type: Forward-funding development

### GENERAL NEEDS



#### UNITED KINGDOM - LONDON

2020

GBP 37.5 million

15,567 sqm

20-yr Management Lease to Poplar HARCA Rent  
indexed annually to CPI+1% Accommodation with:  
General Needs (Affordable Rent, Social Rent +  
Shared Ownership) 173 homes (163 apartments,  
10 houses)

London, United-Kingdom

Type: Forward-funding development

### HOMELESSNESS



#### UNITED KINGDOM - LUTON

2016

GBP 10,0 million

1,860 sqm

30-year FRI lease to IMPAKT Housing & Support  
Rent indexed annually to CPI+1%  
Accommodation with: Homelessness Project  
(Specialist) 78 places (1-bed flats, 2-bed  
clusters)

Luton, United-Kingdom

Type: Redevelopment of existing property