

Media release

Macquarie Capital, Sisk and Choice reach financial close on Ireland's €120 million Social Housing Bundle 1 PPP



London/Dublin, 21 March 2019 – Comhar Housing, a consortium comprising Macquarie Capital (Macquarie), John Sisk & Son Ltd. (Sisk) and Choice Housing Ireland Limited (Choice), has today reached financial close on Ireland's social housing bundle 1 (SHB1) public private partnership (PPP) project.

The €120 million project encompasses the financing, design, construction and maintenance of six social housing development sites located in and around Dublin – creating over 530 new homes and apartments. SHB1 forms part of the Irish government's wider €300 million commitment to deliver a total of 1,500 of social housing units and associated services via PPP.

Comhar Housing was appointed preferred tenderer on 18 September 2018 by Ireland's National Development Finance Agency and with Macquarie and Sisk acting as equity provider, Sisk as design and build subcontractor and of Choice as facilities management subcontractor. Oaklee Housing, a subsidiary of Choice, will undertake tenancy management as a key subcontractor.

Cathy Bryce, Director of the NDFA, said: "This is a landmark development in providing new social housing in Ireland. It is the first time we have used the PPP model for social housing, opening up an important new avenue for delivering the Irish State's social housing requirements. It is also the first time in Europe that the EIB has financed a PPP social housing scheme.

I am delighted that the hard work of all stakeholders has led to the successful closing of this critical project and I look forward to the delivery of these homes as quickly as possible."

Mark Bradshaw, Head of Infrastructure Projects for Macquarie Capital in Europe and the Americas commented: "As the need for greater social and affordable housing

provision continues to grow globally, awarding agencies are increasingly looking to PPP frameworks. We invest in the early development stages of projects globally, applying both balance sheet capital, development capital and infrastructure expertise to make critical projects such as this happen. We have a longstanding relationship of over 10 years with Sisk Group, including currently being on-site together on the €250 million Grangegorman Campus and look forward to working with them, the NDFA and Choice to deliver this vital social infrastructure development for Ireland.”

Mark McGreevy, Managing Director, Sisk Living said: “This project marks a significant response to the social housing needs of the Irish market. The quality of the design and construction and maintenance of the new homes, will provide the tenants and their families with a basis for great sustainable communities into the future. Sisk as one of the largest home builders in the country will along with its supply chain, and its leading national apprenticeship programmes create job opportunities during the construction of the project.”

Michael McDonnell, Choice Group Chief Executive commented: ““This infrastructure project is an important collaboration between key partners to help enable positive societal and economic development. The housing sector is at its most effective when it leverages the expertise and experience of a range of partners that share a common goal. This framework will work to tackle the key issues around social housing in Dublin and allow us to ultimately provide quality housing, care and support where they are needed the most.”

SHB1 is Ireland’s first social housing PPP project and follows Macquarie Capital’s previous role as sponsor on Ireland’s Schools Bundle 1 and 2 PPP projects, as part of the programme to provide 27 new schools across Ireland, with project partner John Sisk & Sons. Construction will begin on site immediately, with the final schedule of works due to be completed in two years.

The project will be financed through a combination of an Equity Bridge Loan and Senior Term Loans. The pool of lenders consists of Korea Development Bank (KDB), Bank of Ireland (Bol) and European Investment Bank, who were selected to form the final funding solution.

Macquarie Capital acted as sole financial advisor to the Comhar consortium.

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About Macquarie Group

Macquarie Group Limited (Macquarie) is a diversified financial group providing clients with asset management and finance, banking, advisory and risk and capital solutions across debt, equity and commodities. Founded in 1969, Macquarie employs 14,869 people in 27 countries. At 30 September 2018, Macquarie had assets under management of €343.2 billion. For further information, visit www.macquarie.com

About Macquarie Capital

Macquarie Capital is the advisory, capital markets and principal investment arm of Macquarie Group. Macquarie Capital provides strategic M&A and capital raising advice as well as partnering with clients by investing capital into their projects and companies. Globally Macquarie Capital focuses on six core sectors: infrastructure, utilities and renewables; real estate; telecommunications, media, entertainment and technology; resources; industrials; and financial institutions.

John Sisk & Son

John Sisk & Son Ltd is an innovative, international, engineering and construction company. Sisk is a progressive business with long term vision, operating since 1859, with a long tradition of delivering iconic landmark buildings and has extensive operations across Ireland, the United Kingdom and mainland Europe.

In Ireland Sisk is currently building the new Center Parcs in Longford, leading the redevelopment project on The Curragh Racecourse in Kildare and currently building at the major Grangegorman educational project for Technological University Dublin (TUD), as well being active on a range of commercial and residential projects.

Sisk recently completed a major redevelopment and restoration of London's iconic Royal Academy of Arts, is involved in the major redevelopment at Wembley Park in London, the construction of the new International Convention Centre at Celtic Manor in Wales, as well as a number of significant civil engineering projects across the UK.

For more see: www.johnsiskandson.com or follow us on twitter @SiskGroup or on LinkedIn at John Sisk & Son

Choice Housing Ireland Limited

Choice is one of the largest housing associations in Northern Ireland and our vision to 2021 is 'to be recognised as the leading housing group in Ireland'. We are challenging ourselves, and others to re-evaluate the role we can and should play in a rapidly changing society. That means thinking differently about how we can best direct our resources, creativity and commercial ambition towards current and emerging needs. We believe that people should expect more from a housing association and we have embraced our responsibility to be a catalyst for social and economic advance.

Formed in 2000, Oaklee Housing is an established part of the Choice Group that has steadily grown its presence in the Republic of Ireland. Today, it manages over 800 high quality homes that accommodate older people, families, mature singles and people with complex needs.

Oaklee Housing is playing an active role in tackling an increasingly urgent lack of housing in Ireland and is contributing to the step change required in the delivery of more social and affordable accommodation.