



## RESIDENTIAL SECURE INCOME PLC

5 March 2020

### Residential Secure Income plc

#### Gresham House acquires ReSI plc's Fund Manager Group

#### **Gresham House to acquire ReSI Capital Management Limited and its parent company TradeRisks Limited**

Residential Secure Income plc ("ReSI") (LSE: RESI), which invests in affordable shared ownership, retirement and Local Authority housing, announces that TradeRisks Limited ("TradeRisks"), the parent company of ReSI's Fund Manager, Residential Capital Management Limited ("RCM"), has been acquired by Gresham House plc, the specialist alternative asset management business which is listed on the London Stock Exchange and has £2.8 billion of assets under management. Under the terms of the acquisition, RCM will continue as the alternative investment fund manager of ReSI, with the day-to-day operations and strategic direction remaining unchanged under the current team.

ReSI also announces that Jon Slater, the current Chief Executive of RCM, will retire, following his move to live overseas in 2018. Alex Pilato, the founder and Chief Executive of TradeRisks who has been closely involved in all aspects of ReSI's business since before the IPO in 2017 will take over his role. He will also assume overall leadership of the newly-formed combined Housing Division at Gresham House. RCM's Investment Management continues to be led by Ben Fry, with Mark Rogers and Pete Redman leading the origination and housing management teams respectively. All 23 TradeRisks/RCM employees, comprising 19 investment and corporate finance professionals, and four in support functions, will join Gresham House's Real Assets division.

*Alex Pilato, Chief Executive of TradeRisks, commented:* "This is a positive development for ReSI shareholders. RCM will benefit from Gresham House's robust central platform that includes distribution, investor relations, compliance, reporting and risk capabilities. This will free up the team allowing it to focus on origination, delivering full occupancy on our shared ownership portfolio and putting in place low cost long term debt to support our returns and reach full deployment, producing high-quality and sustainable income for ReSI's shareholders and delivering significant social value.

"Longer-term we expect to benefit from the strength of Gresham House's institutional relationships, bringing new investors into ReSI and shared ownership. At the same time, there is a clear alignment between the two businesses in terms of their focus on those sectors that are both supported by permanent societal shifts, and which can deliver financial and social impact."

*Rob Whiteman, Chairman of ReSI plc, added:* "The Board of ReSI supports the decision of its fund manager group to be acquired by Gresham House which it considers an excellent partner and platform to enable RCM to continue delivering strong performance on behalf of ReSI plc."

*Anthony Dalwood, Chief Executive of Gresham House plc, commented:* "The acquisition is consistent with the group strategy to grow existing platforms. Gresham House is focused on investing in sustainable real

assets and the acquisition of TradeRisks/RCM allows us to enhance our social and specialist housing offering for clients, an area identified as structurally important for the UK. Gresham House also expects to raise further funds in the housing segment via ReSI plc and new private funds targeting institutional investors as limited partnerships. There is a strong cultural alignment between the two businesses and the Gresham House platform will be strengthened by the integrated expertise of the TradeRisks/RCM teams.”

Gresham House is a fast-growing specialist alternative asset management company focused on sustainable investment for its clients and shareholders. The Group currently has £2.8bn in AUM and, through its British Strategic Investment Fund (BSIF), the Group targets local housing investments on behalf of local government pension schemes. The Gresham House platform is well established and should provide opportunities for growth and investment in the RCM team. The sectors addressed by RCM’s offering are key areas for Gresham House to be able to scale its social housing strategy and to broaden its sustainable offering to investors.

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**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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**NOTES:**

Residential Secure Income plc (LSE: RESI) is a real estate investment trust (REIT) listed on the premium segment of the Main Market of the London Stock Exchange with the objective of delivering secure inflation linked returns by investing in affordable shared ownership, retirement and Local Authority housing throughout the UK.

ReSI targets a secure, long-dated, inflation linked dividend of 5.0 pence per share p.a. (paid quarterly) and a total return in excess of 8.0% p.a. and has to date committed c. £321 million, assembling a portfolio of 2,680 properties.

ReSI aims to make a meaningful contribution to alleviating the UK housing shortage by meeting demand from housing developers (Housing Associations, Local Authorities and private developers) for long-term investment partners to accelerate the development of socially and economically beneficial new affordable housing.

ReSI's subsidiary, ReSI Housing Limited, is registered as a for-profit Registered Provider of Social Housing, and so provides a unique proposition to its housing developer partners, being a long term private sector landlord within the social housing regulatory environment. As a Registered Provider, ReSI Housing can acquire affordable housing subject to s106 planning restrictions and housing funded by government grant.

ReSI is managed by ReSI Capital Management Limited, a wholly owned subsidiary of TradeRisks Limited which has a 19 year track record of executing transactions within the UK social housing sector and, to date, has arranged funding of over £11 billion in the social housing, care and other specialist residential property sectors.

Acquisitions by ReSI are limited to homes with sufficient cashflows, counterparty credit quality and property security to be capable of supporting long term investment grade equivalent debt.

ReSI does not manage or operate stock and uses experienced and creditworthy third party managers.

Further information on ReSI is available at [www.resi-reit.com](http://www.resi-reit.com)