

**Norddeutsche Landesbank
Girozentrale**

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NORD/LB to finance 250 social homes in Ireland

NORD/LB Norddeutsche Landesbank is financing its first social infrastructure investment in Ireland with Oaklee Housing, one of Ireland's leading Approved Housing Bodies (AHBs), through an innovative debt financing structure. The investment volume is € 50 million which will be utilised to finance a series of property acquisitions for social housing use in the Republic of Ireland in conjunction with Oaklee Housing.

In pursuit of a viable alternative to the traditional funding approach and working in partnership with Oaklee over a 15-month period, NORD/LB developed a bespoke structured finance solution which is the first project finance transaction in the social housing sector in Ireland to feature the establishment of a special purpose vehicle (SPV), Acorn Housing.

The financing of Acorn Housing aims to:

- > provide long-term housing and improve social outcomes on a variety of levels;
- > utilise housing stock held by the Irish government to increase social housing supply by “recycling” surplus/vacant properties without any environmental impact;
- > through an efficient long-term financing structure achieve an affordable solution for both the public sector and tenants; and
- > by establishing Acorn Housing as a registered charity ensure all surpluses generated are used for charitable purposes.

John Hanley, Senior Director, NORD/LB, said: “As one of the leading banks providing finance for social infrastructure projects across Europe, NORD/LB is delighted to finance this pathfinding project in partnership with Oaklee Housing and to establish a new template for the funding of social housing in Ireland. The project with Oaklee is NORD/LB's first social infrastructure investment in Ireland and an important step in the development of AHB financing. Furthermore, it is a significant milestone in the way social housing is provided and NORD/LB is proud to be involved in developing and delivering homes for those in need.”

Sharon Cosgrove, Chief Executive of Oaklee Housing, said: “Our innovative SPV financing structure and subsequent agreement with NORD/LB are putting more than € 50 million directly into the delivery of around 250 social homes in the areas where they are needed most. It is pleasing to see an international bank investing with confidence in large-scale housing programmes. This is one of the most cost-effective long-term finance arrangements ever used in Ireland and means that we can make public money go further and deliver more.”

The approach adopted has the potential to become the new template for financing social housing, with NORD/LB at the forefront in the sector building upon its expertise developed in other jurisdictions such as the UK.

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About NORD/LB

With total assets of € 165 billion, NORD/LB Norddeutsche Landesbank is one of Germany’s leading commercial banks. Its core business segments include structured finance in the energy and infrastructure sector, ship and aircraft finance, corporate client business, commercial real estate finance, capital market business, and private and commercial client business. The bank has its head office in Hanover, Braunschweig, and Magdeburg. NORD/LB also has branches in Bremen, Oldenburg, Düsseldorf, Hamburg, Munich, Schwerin, and Stuttgart. Outside Germany, NORD/LB is active in Luxembourg with a covered bond bank (NORD/LB Covered Bond Bank) and also has offices in London, New York, Singapore, and Shanghai. www.nordlb.de