

Pocket Living secures funding partners for Walthamstow project

Affordable housing developer Pocket Living has secured a deal with two new funding partners, Barclays and Housing Growth Partnership (HGP), to fund its latest development in Waltham Forest, east London.

The partners will fund the delivery of 90 one-bedroom discounted homes at Forest Road development in Walthamstow, which are scheduled to launch next summer. The new homes

will be available exclusively to first-time buyers who either live or work in Waltham Forest and earn under the Mayor of London's income threshold for affordable housing. Purchasers will own 100% of their property, which will be sold at a minimum of a 20% discount to the local market.

This is the first deal in which Barclays has worked alongside HGP, a social impact investor backed by Lloyds

Bank and Homes England, as funding partners on a residential scheme.

Barclays will be providing Pocket with a senior and mezzanine loan totalling £16.5m, while HGP will provide £4.3m equity. Pocket will also be

providing more than £2m in equity for the joint venture.

Having delivered almost 1,000 new homes in the capital to date, Pocket says there is significant demand for its product in cities experiencing similar affordability issues. The company therefore sees this diversification of its funding base as a positive step in "supporting their ambition for growth and helping more buyers with their dream of owning their first home".

Paul Rickard, chief financial officer at Pocket Living, said: "This marks our first deal with HGP and Barclays and allows us to increase the delivery of much-needed new affordable homes. At Pocket we build homes for the people who are vital to a thriving city and yet can't afford to buy a home and put down roots. Around 40% of these people are keyworkers otherwise let down by the London housing market. Pocket has a successful track record, but we know there is still more to be done. HGP and Barclays share this commitment to meeting the housing needs of city makers and this

funding deal provides a blueprint that can lead to a significant increase in the delivery of affordable homes both in and out of London."

Ian Foster, relationship director at Barclays, said: "We have followed the Pocket story for a number of years and are pleased to have been able to support them with the lending on this ambitious new development. This deal further underlines our ongoing commitment to the UK housing sector, and we look forward to continuing to work closely with all our valued clients to help deliver affordable housing for local communities."

James Hutchinson, investment director at Housing Growth Partnership, said: "We are delighted to be working with Pocket Living and Barclays on this development, which will build quality affordable homes for those living in the local community. This deal marks the continued success of the Housing Growth Partnership, which has supported housebuilders to deliver over 4,500 homes across the country."

