



8th February 2022

Dear Mr. Hann,

Following several questions from the Council's advocate about Accrue Capital and their development experience, we thought a letter which sets this out may benefit the inspector.

Background to Accrue Capital:

Accrue Capital are a property investment, development and asset management company. Typically Accrue purchases properties throughout the UK, across all sectors (including residential) and then looks to add value.

Since formation, Accrue Capital have built a significant in-house property company (we are often long term holders of property) as well as establishing relationships with partners in the industry. On the lending side we have long-standing relationships with Lloyds, RBS, Santander, CBREGI, AgFe.

At one stage, PGIM (one of the largest real estate managers in the world with \$182.5 billion in gross assets under management) were our joint venture partner on this site. PGIM wanted to work alongside Accrue Capital as we have In-House expertise and experience, as well as local market knowledge. In fact, Stephen Webster (Executive Chairman of Accrue Capital) has a good knowledge of the Stretford area of Trafford having grown up a couple of miles to the south of the site.

This In-House experience at Accrue Capital extends to over 100 years' experience and the management team have completed over £2 billion of transactions over the last 15 years. Whilst in recent years Accrue's focus has been in developments and investments in the commercial property sector with a portfolio of more than £100m. The Principals at Accrue have also had many years' experience in the residential field both in the UK and continental Europe. Approximately 1000 homes have been delivered over the years including Altitude 25 Croydon, Trinity Gate Guildford, Marina Place Hampton Wick, Oxford (Marston) and a number of schemes in Cork.

Delivery Model:

The delivery model has evolved throughout our ownership and was influenced by the partnership which we sought to establish with PGIM. Accrue Capital wanted to harness PGIM's ambition to enter the Housing market (outside of London). In this regard we wanted to use this site as a catalyst for creating a wider self-delivery platform that would allow PGIM to achieve this objective and could be rolled out across a number of sites. The investment rationale was that once an in-house construction arm had been acquired/formed by PGIM, build costs would be significantly lowered which in turn would allow for a more competitive position at land acquisition.

Unfortunately, although understandably, PGIM became disillusioned and frustrated by the response of the planning authority, and what they regarded as unacceptable delays in the planning process. Accordingly, and as a consequence, they are no longer our JV partner. We will therefore now deliver this development alongside a reputable contractor (which we will tender upon planning approval), in a more orthodox manner.

The Old Boiler House, Brewery Courtyard, Draymans Lane, Marlow, Buckinghamshire, SL7 2FF



From the outset, we have had an ambition (for both personal and investment motives) to regenerate this development site. Assuming planning is granted, we are looking forward to finally progressing matters. The delays meant establishing a wider self-delivery platform alongside PGIM were never progressed. However, we are motivated to deliver this development and will now do so via the more standard approach of working alongside a contractor. This approach is a proven concept and is more aligned with our development experience (both in the commercial and residential sectors).

Kind regards,

Guy Pearson Gregory

Director at Accrue Capital