
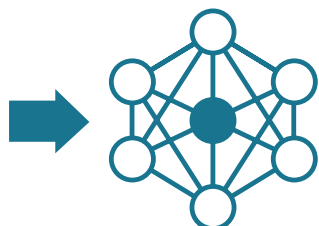






# Executive Summary

Matter Real Estate LLP (“Matter” or the “Fund”) is a specialist investor targeting real estate sectors across Northern Europe where there is a strong societal need, long-term structural demand and barriers to large-scale investment.

## Portfolio Overview As of 30 September 2022:<sup>1</sup>

<p><b>Matter had invested £211.3 million</b></p> 	<p><b>In 6 investee companies<sup>2</sup></b></p> 
<p><b>Across the UK and Ireland</b></p>  	<p><b>1,918 units across the portfolio, of which:</b></p> <ul style="list-style-type: none"> <li>🏠 <b>1,464 build-to-rent homes</b></li> <li>🏠 <b>292 affordable housing and shared ownership homes</b></li> <li>🏠 <b>90 for-sale family homes</b></li> <li>🏠 <b>68 specialist senior living homes</b></li> <li>🏠 <b>4 primary healthcare centres</b></li> </ul>
<p><b>2,580 residents were living in homes owned by Matter’s investee companies</b></p> 	<p><b>Matter’s primary care centres estimated to serve 271,480 people</b></p> 

1. The investment in Realy Bostad, a Swedish investee company, completed in Q4 2022. This investee company’s operational performance statistics are not included in the 30 September 2022 figures however its principals participated in TGE’s qualitative interviews and Realy Bostad’s operational performance is included where stated in this report.

2. In addition to being commissioned to produce this report, TGE is also currently working directly with two of Matter’s investee companies. TGE is working with Placefirst to produce an Impact Report, and with Auxesia Homes to design an Impact Measurement and Management Methodology.

---

## Impact Objectives

---

### Pre-investment phase



#### Make impact-aligned investments

- Matter investees aim to address societal needs for which there is a high level of underlying demand, mostly from middle-income households whose needs are not currently being met by the market.
  - All six investments classed as 'Benefit Stakeholders' according to Impact Management Project's ABC classification system.
- 

### Operational phase



#### Enable growth in investee companies

- Matter injects significant capital and provides high levels of hands-on support and management advice, enabling investee companies to plan for growth and manage their growth responsibly.
- £35.6m of additional investment by Matter in investee companies during 2022.



#### Require high ESG performance

- Matter considers ESG within its ongoing management of investee companies – the Fund introduced formal ESG reporting in 2022. However, this reporting process is at a relatively early-stage and requires improvements.
-

---

## Outcomes

Relevant outcomes vary according to each investee company. For this report, our assessment of Matter's contribution to outcomes has been limited due to incomplete data for some investees.

---



### Projects are designed energy efficiently

- Dwellings: 100% of properties are at or above NZEB rating, and contain heat pumps and smart meters.
- Placefirst: 87% of properties are refurbished with improved EPC ratings.



### Jobs are created directly and indirectly

- Jobs supported: 140 full-time equivalents (FTEs) currently employed across Matter's investee companies.
- Jobs created: 29 FTE roles created at investee companies during 2022.



### Developments meet social and/or societal need

- Housing: 92% occupancy rate.
- Healthcare: 37% of users eligible for state-funded care.



### Investee companies support identified user groups

- 42% of residents come from a priority user group.<sup>3</sup>



### Buildings are designed and managed responsibly and sustainably for the long-term

- Variation in approach to building management across different investees – some investees are partnering with established operators, while others are providing management services through an in-house team.
- 

3. This includes key workers, first-time buyers and older people with care needs – priority group varies by investee.