

PRESS RELEASE – EMBARGOED UNTIL 10AM ON THURSDAY 27th NOVEMBER

**CHEYNE CAPITAL LAUNCHES
THE CHEYNE SOCIAL PROPERTY IMPACT FUND
WITH INVESTMENT FROM BIG SOCIETY CAPITAL**

London, 27 November 2014 - Cheyne Capital Management (UK) LLP (“Cheyne Capital”), one of Europe’s leading alternative investment managers, has launched the Cheyne Social Property Impact Fund (“the Fund”) to help tackle the chronic shortage of housing solutions for disadvantaged groups in the UK. It will work with high impact social sector organisations who deliver services including affordable housing, supported living, extra care and others. The Fund, which will invest in UK property, will aim for a balanced approach to financial and social return, with a view to generating stable, long-term, inflation-linked returns while creating positive social outcomes. It has launched with support from a range of investors including Big Society Capital who worked closely with Cheyne Capital to anchor the Fund with a seeding commitment.

Cheyne Capital’s move into the social sector clearly demonstrates how alternative investment managers can play a lasting role in the real economy of the UK. This initiative will help to increase significantly the capacity of the social sector to deliver their services and reduce the sector’s reliance on government grants, many of which have been withdrawn in the last few years and are unlikely to be restored in the foreseeable future. For investors, the Fund provides a financially robust investment that also satisfies growing investor demand for socially constructive investments.

Jonathan Lourie, CEO of Cheyne Capital commented: “We believe the reduction in government grants and the altered market structure provide an opportunity for alternative investment managers such as Cheyne to enter the sector and to be providers of responsible private capital. Our investors share our conviction that financial and social returns are complementary and will lead to superior outcomes over the long term.”

Nick O’Donohoe, CEO of Big Society Capital, said: “The shortage of suitable accommodation for people on low incomes, or who need specialist housing, is an enormous challenge faced by many in the UK. This Fund will enable charities and other organisations that address this need to access many more properties and deliver their specialist services. It’s really encouraging to see one of the UK’s most experienced alternative fund managers enter the social investment market in order to make a real, sustainable social difference.”

The Fund will capitalise on Cheyne Capital’s extensive expertise and proven track record in real estate, with approximately £1.6 billion (\$2.5 billion) of assets in its real estate funds. Cheyne Capital’s dedicated Social Property investment team is headed by Shamez Alibhai, who has over 13 years’ experience in the real estate markets.

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Shamez Alibhai biography

Shamez joined Cheyne Capital in 2006 and co-ran Cheyne's real estate debt business since 2008, which he grew successfully to manage over £1.3 billion (\$2 billion) of assets by 2013. He was previously at Credit Suisse where he was responsible for the mortgage loan trading platform and, prior to that, a Senior Structurer at Barclays. Shamez has been a supporter of the ethical investment sector for many years, having championed a micro-finance investment while at Credit Suisse and is a UK "social angel investor" with a particular focus on healthcare.

About Cheyne Capital (www.cheynecapital.com)

Launched in 2000, Cheyne Capital is one of Europe's leading alternative investment managers with approximately £4 billion (\$6 billion) of assets under management. Cheyne invests across the capital structure from the senior debt to the equity of corporates and real estate. With an investment philosophy grounded in rigorous fundamental analysis, the firm's main areas of expertise are Real Estate Markets, Corporate Credit, Event Driven and Equity & Equity-Linked Securities. Cheyne Capital Management (UK) LLP is authorised and regulated in the United Kingdom by the Financial Conduct Authority, and is registered as an Investment Adviser in the US by the Securities and Exchange Commission.

About Big Society Capital (www.bigsocietycapital.com)

Big Society Capital is a financial institution with a social mission, set up to build the social investment market in the UK, so that charities and social enterprises can access appropriate repayable finance to enable them to grow, become more sustainable and increase their impact on society. It is doing this by building a diverse social investment market: encouraging investors to lend or invest money to achieve a social as well as a financial return.

Since it was set up as an independent organisation in 2012, Big Society Capital has committed over £165 million in investments to specialist organisations who lend to charities and social enterprises. Over five years Big Society Capital will be capitalised with approximately £600 million, from a combination of English dormant bank accounts and the four main UK high street banks.