

# Alpha Real Capital

INVESTOR PRESS RELEASE 22 FEBRUARY 2016

## ALPHA REAL CAPITAL LAUNCHES THE INDEX LINKED INCOME FUND

Alpha Real Capital LLP (“Alpha”) today announces the launch of the Index Linked Income Fund (“ILIF or “the Fund”) a new fund investing in UK commercial ground rents, together with the closing of the Fund’s first acquisition.

Alpha secured subscriptions for ILIF totalling £355m for the first close from nine UK pension schemes, the majority of which are funds advised by Willis Towers Watson. ILIF will invest in UK commercial ground rents with the aim of providing investors with secure inflation linked long term income and associated capital growth.

The Alpha Group has recently acquired 41 specialist healthcare assets in a ground rent sale and leaseback transaction with Care Tech Holdings plc, a leading provider of specialist social care services, traded on AIM. The total consideration was approximately £30m and the properties are located in the south east of England. Alpha has a strong and developing pipeline of future transactions for ILIF.

**Hugo James, Partner and Head of Long Income said:** *“Through the launch of ILIF we have seen significant demand from defined benefit pension funds attracted to the secure, long dated and inflation linked cash flows that can be generated through ground rent transactions to enable them to match their pension payments. We believe that the alternative real estate sector continues to offer good relative value for long term investors seeking to cash flow match their liabilities.”*

**Mark Rattigan, Partner and the Fund Manager for ILIF said:** *“We will be utilising our experience and the expertise of the wider Alpha platform to work with owners of operational backed real estate - particularly in the hotel, healthcare, pub, student housing, social infrastructure and leisure sectors to create further investment opportunities. We will also work with financiers and other intermediaries to deliver competitive financial solutions for occupiers.”*

**Scott Gardner, Partner Investment Capital said:** *“Many pension schemes have increasingly sought to invest in new strategies to match their liabilities as they fall due. We have listened to our investors and created a commercial ground rent fund for UK pension funds and charities to achieve secure inflation linked returns at a premium to gilts.”*

Alpha has also recently launched a social real estate fund for UK pension funds. The fund is targeting investments in social real estate such as supported living and primary healthcare assets to provide investors with long dated returns and inflation protection.

[www.alpharealcapital.com](http://www.alpharealcapital.com)

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## About Alpha Real Capital

Alpha Real Capital is a co-investing funds management group focussed on investing in real estate, infrastructure and other asset-backed markets. Founded in 2005, Alpha is owned by its partners and has over £1billion of assets under management. Alpha has a focus on long income investing including freehold ground rents, social infrastructure, and renewable energy infrastructure.

### Investor contacts:

Scott Gardner, Partner Investment Capital,  
Alpha Real Capital  
Direct: + 44 (0) 20 7391 4723  
Email: [scottgardner@alpharealcapital.com](mailto:scottgardner@alpharealcapital.com)

Jelena Matic, Institutional Capital Manager  
Alpha Real Capital  
Direct: + 44 (0) 20 7391 4703  
Email: [jelenamatic@alpharealcapital.com](mailto:jelenamatic@alpharealcapital.com)

### Press contact:

Mark Rattigan, Partner, Fund Manager  
Alpha Real Capital  
Direct: + 44 (0) 20 7391 4707  
Email: [mrattigan@alpharealcapital.com](mailto:mrattigan@alpharealcapital.com)

[www.alpharealcapital.com](http://www.alpharealcapital.com)

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