

## **Direct Investment Portfolio – Places for People Scottish Mid-Market Rental Fund – Investment proposal approved.**

**5** There was submitted a report by the Director of Strathclyde Pension Fund regarding a proposal to invest in the Places for People Scottish Mid-Market Rental Fund within the Direct Investment Portfolio, advising

- (1) that the Places for People Scottish Mid-Market Rental (MMR) Fund aimed to develop a portfolio of 1,000 plus quality, affordable homes for the mid-market rental sector in Scotland's main cities within the next 2 years to deliver index-linked yield and long term capital growth to investors;
- (2) that Places for People was a not for profit organisation with a strong social purpose, which utilised commercial business methods to deliver positive social outcomes, and MMR properties were affordable rental homes where rent was set below an area's average private sector rate to cater for a large section of the Scottish population who were not able to afford private sector rents, not able to save a large deposit for a 1st time home purchase or did not qualify for social housing because of their income levels;
- (3) that the Fund was being established to invest in a mix of houses and smaller apartment blocks across Scotland, with the overall objective of delivering a diversified portfolio with long-term income and the opportunity for capital growth;
- (1) of their investment proposal; and
- (5) of the expected return from the fund, the main risks and the exit strategy.

After consideration, the committee approved the proposal to invest £25m in the Places for People Scottish Mid-Market Rental Fund by the Direct Investment Portfolio.