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Patron Capital raises in excess of CA\$1.25 billion (\$920 million) for Fund VII as Canadian investors look to European real estate

Patron Capital, the pan-European institutional investor focused on property-backed investments, has closed its seventh flagship fund, raising in excess of CA\$1.25 billion, including more than CA\$290 million of Patron discretionary co-investment capital for larger opportunities.

Of the capital raised for Patron Capital, L.P. VII ('Fund VII'), 76% came from Patron's existing investor base and existing relationships, with many commitments coming from Canadian investors looking to take advantage of strong value-add investment opportunities in European real estate. Around 14% of the capital raised for Fund VII came from Canadian investors including pension funds, endowments, foundations and family offices.

Fund VII will continue the same investment strategy as Patron's previous funds, opportunistically targeting distressed and undervalued investments, directly or indirectly related to property, across Western Europe. The fund will invest across a range of sectors in property-backed corporate investments as well as individual properties. Patron's typical deal size ranges from CA\$40 to CA\$115 million in equity, enabling Patron to deploy its granular approach and target opportunities that are off market or not accessible to other investors, while Patron is able to realise larger opportunities using its co-investment capital.

This is the seventh vintage in Patron's flagship series, which targets returns of 17% to 20% gross IRR and a 1.6x-2.0x gross equity multiple on invested capital over a four-to-five-year investment horizon. However, Patron regularly exceeds these numbers, highlighting the firm's ability to add value through asset management and time acquisitions and disposals for the best results.

Patron has already started to deploy capital from Fund VII, using approximately 10% of the Fund's investment capacity to complete a number of investments across a range of assets classes in western Europe, and is projecting a 18% return on its investments.

Keith Breslauer, Managing Director and founder of Patron Capital, said: "In the 25 years since Patron Capital was founded, we have worked successfully through many cycles and can say with confidence that the current opportunity set in real estate is one of the most exciting I have seen. However, while many can see distressed and undervalued assets coming to the market, few have been able to raise the capital needed to execute. Raising the capital for Fund VII at the pace we have and with a high proportion of re-ups from our longstanding investors many of which are Canada based, is a very strong endorsement of Patron as the manager of choice for value-add and opportunistic real estate in Europe.



“Looking ahead, we shall continue deploying this capital using our granular approach, with our deep relationships across Europe providing access to opportunities that others cannot realise, while maintaining conversations with prospective investors who wish to use our expertise to execute on larger transactions through co-investment.”

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Notes to Editors

About Patron Capital Partners

Patron represents approximately €5.2 billion of capital raised across several funds and related co-investments, investing in property, corporate operating entities whose value is primarily supported by property assets and distressed debt and credit related businesses.

Since it was established in 1999, Patron has undertaken more than 200 transactions across 106 investments and programs involving over 9 million square metres in 17 countries, with many of these investments realised.

Investors represent a variety of sovereign wealth funds, prominent universities, major institutions, private foundations, and high net worth individuals located throughout North America, Europe, Asia and the Middle East. The main investment adviser to the Funds is Patron Capital Advisers LLP, which is based in London, and Patron has other offices across Europe including Barcelona and Luxembourg; the group is comprised of 63 people, including a 37-person investment team.

Further information about Patron Capital is available at www.patroncapital.com