

InvestEU Scoreboard¹

Presentation of the financing or investment operation:

Implementing Partner: EIB

Name of the Operation: HANNOVER SOCIAL AND AFFORDABLE HOUSING (2019-0569)

Type of approval:

- Individual financing or investment operation or
 Framework Operation

Name of the final recipient: hanova WOHNEN GmbH

Country(-ies) of implementation: Germany

Short description of the financing or investment operation:

The Project is structured as an Investment Loan comprising seven schemes for the construction of approximately 640 new social and affordable housing units for rent, of which approximately 232 will be allocated to social housing (36%) and approximately 408 units will be designated as affordable housing (64%). All housing units will be barrier free and approximately 12% will be wheelchair accessible. The project will include two day-care centres for children at ground floor level.

The Project is considered 100% Climate Action under Mitigation Energy Efficiency. Five schemes out of seven representing 82% of the total PIC will achieve an energy performance at least 20% better than NZEB German national levels (KfW 55 standards) and the rest will target an energy performance at least 10% better than NZEB German national levels.

The Project is expected to increase the supply of social and affordable housing for rent and to increase the market flexibility to respond to the current social and affordable housing needs. The provision of new social and affordable housing will contribute towards improving the social mix across the city and will promote greater social inclusion. More widely, the Project is expected to contribute to sustainable urban development with the provision of high-quality and energy efficient housing accommodation including climate mitigation measures. Targeted high-energy efficiency standards will also lead to lower operating costs and energy bills for low and medium income tenants.

The project contributes to the achievement of the UN Sustainable Development Goals for sustainable cities and climate action. The Project is in accordance with the provisions of the 2016 EU Urban Agenda, the new Leipzig Charter for sustainable urban development, the EU2020 Strategy for smart, sustainable and inclusive growth and the 2022 Nice Declaration on affordable, sustainable and resilient housing. The Project is also aligned with the Energy Performance of Buildings (EPBD) Directive.

Public Statement

The Project comprises the construction of high-quality and energy efficient social and affordable housing units for rent in the City of Hannover, Germany. The project contributes to the achievement of the UN Sustainable Development Goals, various EU Sustainable Urban Development ambitions, and Energy

¹ This Scoreboard of indicators reflects the information presented to the InvestEU Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision.

Efficiency targets, as well as local and state level objectives. It addresses a number of externalities and sub-optimal investment flows. The Project increases the supply of social and affordable housing for rent and the market flexibility to respond to the current social and affordable housing needs. It also contributes towards improving the social mix across the city and promotes greater social inclusion, thus, supporting sustainable urban development.

The Bank will provide an unsecured loan, which will be effectively subordinated to the borrower's standard mortgage loans. The Bank's loan will thus fill a financing gap as mortgage loans from commercial and promotional banks require that part of the project cost is covered by either by own funds or unsecured loans without recourse to the assets financed. The Bank's loan will also help the borrower to optimize its asset encumbrance levels with a view towards mobilizing future funding for the City of Hannover's ambitions to become climate neutral by 2035. The Bank's financing will also offer further important benefits such as a very long loan maturity and flexibility with respect to availability period, interest rate arrangements and drawdowns, which will enable an optimal alignment with the implementation modalities of the Project and thus further increase its affordability.

Pillar 3 - Market failure or sub-optimal investment situation addressed by the financing or investment operation (**Very Good**)

Pillar 4 - Financial and technical contribution by the Implementing Partner (**Very Good**)

Pillar 5 - Impact of the financing or investment operation (**Very Good**)

Pillar 7 - Complementary indicators²	
Key project characteristics	
	Expected at PCR
Start of works	01.01.2019
End of works	31.12.2024
Project investment cost	203.66 MEUR
EIB eligible investment mobilised	156.00 MEUR
External EIB multiplier	2.60
Mandate eligible investment mobilized	156.00 MEUR
Mandate multiplier effect	N/A
Mandate leverage effect	N/A
Amount of private financing	44.82 MEUR
Co-financing with national promotional banks	91.74 MEUR
Co-financing with structural funds (ESIF)	0.00 MEUR
Energy efficiencies realised	782.00 MWh/a
Climate Action indicator	100.00% Mitigation - Energy Efficiency (transversal)
Employment during construction - temporary jobs	662 person years
Employment during operation - new permanent jobs	0 FTE
Gender Tag	No Significant contribution to Gender Equality
Outputs	
	Expected at PCR
Number of social or affordable housing units built or renovated	640.00
Building surface	41,784.00 m2
Re-developed area	16,615.00 m2
Outcomes	
	Expected at PCR
Number of households in new or refurbished social and affordable housing	640.00 Units

² The abbreviation PCR stands for Project Completion Report. EIB internal methodologies are used in order to calculate the figures presented in this document. The Promoter's estimates might differ.