LEGAL & GENERAL SET TO DELIVER 1500 NEW HOMES
AS IT ACQUIRES SECOND MAJOR BERKSHIRE SITE

Legal & General announces that it has acquired a 272 acre site in Arborfield, Wokingham. Helping to address the UK’s chronic housing shortage, Legal & General will apply its unique multi-tenure approach\(^1\) in order to speed up housing delivery, reducing the time taken to deliver these homes by over five years.

With outline planning consent for 1500 new homes, a school, shops and employment generating uses, it represents the second major site being brought forward by Legal & General’s housebuilding arm, Legal & General Homes. It recently started work on site at its first development, Buckler’s Park, a 250 acre, 1000-home development in Crowthorne, Berkshire.

Establishing housing capabilities across all tenures, Legal & General is delivering Build to Sell housing alongside Build to Rent, later living, student accommodation and affordable housing. It is also revolutionising construction methods through its modular factory in Leeds. Its ability to inject capital into large-scale sites coupled with this multi-tenure approach will accelerate UK housing delivery, supporting its targets to build more than 70,000 new homes over the next five to ten years.

Arborfield is located in a prime residential location in Berkshire, within fifteen minutes from the newly regenerated Bracknell town centre. Construction for the first phase of new homes is due to start at the end of next year. The site is large enough to provide a full range of housing options, from one bed apartments to five bed detached family homes. Over a third of the development will accommodate much-needed affordable housing, whilst over 44% of the total site will be dedicated to public open space.

Nigel Wilson, CEO of Legal & General, said: “The Budget creates the right backdrop for a real boost to one of the key areas of infrastructure – housing supply. This is the first substantive supply side policy for almost forty years, since council houses were sold in the 1980’s. Legal & General will therefore accelerate our roll-out of housing and associated infrastructure including on larger sites where we can create whole new communities like Crowthorne and Arborfield. We welcome the Chancellor’s stamp duty reform, which helps to address intergenerational unfairness, and would like to see this for young and old alike, enabling all age groups to access homes that best suit their needs.”

\(^1\) Legal & General’s multi-tenure capability enables us to appraise complex development opportunities as a one stop shop and go on to deliver open market homes for sale, build to rent, senior living and affordable housing as single cohesive community.
James Lidgate, CEO of Legal & General Homes, commented: “We have a chronic housing shortage in the UK and speeding up the delivery of new supply is key to tackling this crisis. Adopting a multi-tenure approach means that we can create homes in a much shorter timescale as well as supporting people throughout their different life stages. Rather than taking 15 years to build 1500 new homes, we believe that we could achieve a 50% improvement in delivery.”

Housing is one of Legal & General Capital’s key strategic sectors, due to the financing gaps that still exist, offering the opportunity for significant shareholder value, both through investments made directly by LGC and through businesses held by the wider Group. Legal & General has been involved in housing activities for nearly 20 years and is committed to addressing the UK’s chronic housing shortage through delivering high-quality sustainable and enduring homes.

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Notes to editors

Legal & General in Housing

A natural evolution and fit for its multi-tenure housing investment strategy, Legal & General has been involved in supply side housing activities for nearly 20 years. These include:

- Bringing housing back to the centre of the UK’s cities through large scale regeneration, such as Salford, Plymouth, Liverpool, Bracknell, Newcastle and Canning Town
- Its stake in house builder CALA Homes, which announced an annual revenue of £747.9m as at 30 June 2017 (versus £241m revenue in 2013). CALA remains on course to deliver an annual capacity of up to 2,500 units within four years, resulting in revenue of around £1bn
- Legal & General’s total investment capability for the Build to Rent (BTR) sector currently stands at circa £1 billion. It has secured over a 1,700 homes under construction or in planning, with sites in Bristol, Edinburgh, Salford, Bath, Leeds and Walthamstow, with the aim to have 6,000 in planning, development or operation by the end of 2019
- Delivering its first new housing community on a 250 acre site called Buckler’s Park in Crowthorne, Berkshire, Legal & General Homes is set to deliver 1,000 new homes, a primary school, care home, community facility and a 130 acre nature reserve which will be open for the public to enjoy
PRESS RELEASE

LEGAL & GENERAL CAPITAL

- Revolutionising the construction industry through its Leeds modular housing factory
- Providing later living accommodation through Inspired Villages Group, a best in class operator and developer of later living accommodation, which Legal & General acquired in August this year. Inspired Villages Group’s development portfolio currently has around 1,000 homes.

It is also a significant investor in social housing, care homes and student accommodation. This holistic approach provides Legal & General with the mechanisms to deliver high quality returns throughout market cycles by pivoting investment to where the need is greatest.

Legal & General Capital

Legal & General Capital (LGC) is the early-stage investment arm of Legal & General Group. Investing from Legal & General’s £6bn principal balance sheet, LGC’s purpose is to generate long-term shareholder value by injecting new capital into key sectors where there has been a shortage of investment and innovation. Focused on Housing, Infrastructure (Urban regeneration and Clean Energy) and SME Finance, these key sectors reflect our aim to invest for the long term in economically and socially useful assets, to secure competitive returns and to create new asset classes for Legal & General’s varied investment requirements, for our partners and for the wider marketplace. Investments to date have included housebuilder CALA Homes, a Build to Rent joint venture, major urban regeneration projects in Salford, Newcastle, Cardiff and Bracknell, SME finance group Pemberton and clean energy firm, NTR.

Legal & General Group

Established in 1836, Legal & General is one of the UK’s leading financial services groups and a major global investor, with a number of growing businesses in the US and in other countries. At 30th June 2017, we had over £951 billion in total assets under management. Over fifteen million people worldwide rely on us to help them save for the future and to protect their families and their homes.

We work with companies and pension trustees to help people build security in retirement, being the UK’s largest investment manager for UK corporate pension schemes, a major provider of auto-enrolled pensions and a market leader in pensions de-risking. We have also made a commitment to invest around £15 billion in direct investments, with £12 billion already invested in areas such as homes, urban regeneration, clean energy and small business finance, driving economic growth and making a positive difference to the UK’s built environment.