



Legal & General secures pipeline of 5,500 new affordable homes

Legal & General Affordable Homes announces that it has increased its development pipeline to 5,500 homes across the UK, worth a Gross Asset Value of nearly £1bn. As it looks to tackle the major health and wellbeing implications of poor housing, highlighted by the pandemic, Legal & General Affordable Homes has also increased its team from 5 to 75 employees, with a plan to hire another 20 by the end of the year.

According to research, 7.6 million people in England had at least one major housing problem relating to overcrowding, affordability or poor quality housing going into COVID-19. Compounded by the pandemic, one in three low-income earners have had to borrow money to pay their rent and the steep decline in social housing has led to huge increases in government welfare costs, as well as rising homelessness. 1.4 million households remain on waiting list for affordable homes in the UK.

As it continues to establish itself as UK's leading Institutional Registered Provider, Legal & General has accelerated the delivery of its pipeline to target the areas which need it most. With affordable housing starts falling 66% in London during the pandemic, Legal & General Affordable Homes has secured 1,000 new homes in the capital; most recently contracting on 174 affordable homes in Hammersmith and Fulham. 50% of these will be targeted to lower income households, in line with the Council priority income groups. The affordable housing is part of a 1,800 home scheme, redeveloping the former M&S distribution centre, which is due to hand over in mid 2022. Other schemes in London include 76 homes in Hounslow, completing in August 2021; 213 affordable rented homes in Wembley; 90 affordable rented homes in Lambeth and 127 affordable rented and shared ownership homes in Tower Hamlets.

Across the rest of the country, Legal & General is bringing forward over 2,200 homes in the South East, 900 homes in the South West and 1,400 homes in the Midlands and the North. Most recently, this week, Legal & General Affordable Homes handed over its first scheme in Doncaster to residents, as part of Doncaster Council's 5 years housing delivery programme.

Ben Denton, Chief Executive, Legal & General Affordable Homes, says: "The pandemic has affected every corner of our lives and had a major impact on what we need from our homes, workplaces and communities. In particular, it has brought into even sharper relief the urgent need to provide stable and affordable homes for millions of households on low incomes. Since launching two years ago, Legal & General Affordable Homes has grown its development pipeline to 5,500 homes throughout the country to help meet the needs of local communities. We remain committed to deploying institutional capital at scale to address one of our greatest societal failings."

Legal & General remains committed to leading the evolution of the affordable housing sector, raising service standards and deploying long-term institutional capital to increase provision. Across its growing portfolio, it is delivering a mix of social and affordable rental homes, grant-supported shared ownership homes and Section 106

schemes; with many of the schemes being delivered with great quality local housebuilders alongside partnerships with contractors and best-in-class housing associations.

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Further information

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Notes to editors

Legal & General Capital

Legal & General Capital (LGC) is Legal & General Group's alternative asset platform, creating assets for Legal & General Retirement and third-party clients in order to achieve improved risk-adjusted returns for our shareholders.

LGC has built its market leading capabilities in a range of alternative assets, delivering depth of resource, track record and intellectual property. Investing in the real economy and creating alternative assets that deliver a tangible societal impact, its purpose is to invest society's capital for society's benefit. LGC's investments have been vertically integrated and include: residential property; specialist commercial real estate; clean energy; alternative credit; and venture capital.

As LGC's capability to create alternative assets continues to grow, it will not only continue to grow its balance sheet alternative assets but also create alternative assets for third party investors. Many of these investors have the same aims, namely to create assets to back pensions with an improved yield or to create assets with strong growth prospects but with low correlation to equities.

L&G has invested around £29bn in levelling-up regional economies, including through major regeneration schemes in Cardiff, Newcastle and Salford. Legal & General recently made a commitment to enable all new homes across its portfolio to operate at net zero carbon emissions by 2030, including Legal & General Modular Homes, CALA Group, Legal & General Affordable Homes, Build to Rent and Later Living.

Legal & General Group

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1.24 trillion in total assets under management, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, life insurance, workplace pensions and retirement income.