



## Legal & General Affordable Homes Acquires 390 Shared Ownership homes from Orbit Group

Legal & General Affordable Homes (LGAH) has acquired 390 Shared Ownership Homes from Orbit Group for nearly £35m. The acquisition has been funded by Legal & General's Institutional Retirement division forming part of its ambitions to increase its investment into the Affordable Housing sector.

The Orbit homes are distributed across 32 local authorities, spreading across the North and South Home Counties, the East and West Midlands, and Norfolk.

Against an acute shortage of affordable housing in the UK, Shared Ownership will support more people get on the property ladder, combining owning and renting in an affordable way. Through this type of acquisition, Legal & General is supporting the delivery of much needed affordable housing while enabling housing associations that we partner with to direct their capital towards local needs.

**Ben Denton, CEO, Legal & General Affordable Homes:** "Our vision is for everyone to have a high-quality, well-managed, sustainable and affordable home. Our business model balances the need for investors to see a fair and reliable return on their investment, while injecting much-needed additional capital to grow the affordable housing sector. At the moment, Housing Associations around the country are managing to create under a third of the new homes that are required to meet current need due to lack of funding and high interest rates. By acquiring this stock we are helping to ease pressure on local balance sheets so that they can then spend their limited funds in areas of real need."

"Through this acquisition, we are not only providing another crucial affordable housing option, we are acquiring good-quality housing stock, creating assets for Institutional Retirement in order to achieve improved risk-adjusted returns for Legal & General's shareholders."

**Andrew Kail, CEO, Legal & General Institutional Retirement:**

"By channelling pensions capital to invest in the affordable homes sector, we are proud to help provide high quality housing across the UK. These homes, spanning 32 local authorities across the country, will help many people to get on the property ladder, while also providing long-term investment returns that can help us to deliver security in retirement for our pension holders."

**Jonathan Wallbank, Group Finance Director at Orbit:** "As one of the UK's foremost not-for-profit housing groups, we're committed to providing good quality, safe and affordable homes, and creating inclusive and sustainable neighbourhoods that prioritise the wellbeing and aspirations of residents. The transfer of these shared ownership homes to another responsible landlord is part of our strategy to increase geographical efficiencies and to improve customer satisfaction, value for money and services for customers. The proceeds will be reinvested in our homes and communities and used to build and regenerate homes in our key operational areas, supporting our mission to help address the critical lack of affordable housing in England through the delivery of over 5,700 mixed tenure, new homes and regeneration properties between 2024 and 2030."

LGAH has really moved the dial to help tackle the chronic undersupply of affordable housing in the UK and are on track to deliver over 10,000 affordable homes by 2027. LGAH is owned by Legal & General, which is a leading direct investor, developer, and operator in residential property. With one of the largest and most diverse residential platforms in the UK, it has successfully scaled up multiple operating businesses across a range of tenures, using its balance sheet capital to build houses to sell and rent, provide lively retirement communities, and finding new ways to deliver affordable housing. As a result, Legal & General has delivered over 16,000 homes since 2020."

-ENDS-

## Notes to editors

### About Legal & General plc

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with £1.2 trillion in total assets under management (as at FY23) of which c40% (circa £0.5 trillion) is international.

We have a highly synergistic business model, which continues to drive strong returns. We are a leading international player in Institutional Retirement, in Retail Savings and Protection, and in both public and private markets through our Asset Management division. Across the Group, we are committed to responsible investing and dedicated to serving the long-term savings and investment needs of customers and society.

As at 7 June 2024, we estimate the Group's Solvency II coverage ratio to be 224%.

As at 11 June 2024, Legal & General has a market capitalisation of £14.6 billion.

### About Asset Management

L&G's Asset Management division is one of Europe's largest and a major global investor across public and private markets, with £1.2 trillion in assets under management<sup>1</sup>.

The division combines deep expertise in asset management and origination with global distribution capabilities to deliver positive outcomes for our clients, which include individual savers, pension scheme members and global institutions, investing alongside L&G's own balance sheet. As a global investor, we are present where our clients need us – from Hong Kong and Singapore, to major European financial hubs, to Chicago – operating under the Legal & General and LGIM brands.

We provide investment solutions across the full spectrum of asset classes, ranging from index-tracking and active funds to liquidity and liability-based risk management strategies. Through our private markets platform, we utilise our rich heritage and extensive network of partners to offer access to a wide range of purposeful alternative investment opportunities, including specialist real estate, clean energy, infrastructure, venture capital, unlisted equities and private credit.

Our division is underpinned by our enduring commitment to responsible investment, dedicated to creating long-term, sustainable value for our clients and partners.

### Legal & General Affordable Homes

Legal & General has been involved in housing for over 20 years and established Legal & General Affordable Homes (LGAH) in 2018 with the aim of becoming the leading private affordable housing provider in the UK. Across its fast-growing portfolio of developments across England, LGAH offers social and affordable rent as well as Shared Ownership homes.

Dedicated to helping to tackle the current housing crisis and with a commitment to deliver 3,000 new affordable homes annually, LGAH seeks to make a positive difference to the affordable housing sector and offer an alternative route onto the property ladder.

LGAH's mission is to better people's lives and ensure everyone has access to a safe and secure space to call their own. It strives to create sustainable communities with high-quality homes, reflected by its key principles of quality, sustainability and customer service which underpin every decision made. Recognising the strength in partnership and collaboration, LGAH works with local housebuilders, housing associations and contractors to deliver homes which are affordable and accessible.

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<sup>1</sup>Data as at 31 December 2023.

Visit [www.landgah.com](http://www.landgah.com) for more information.

## Further information

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