

Legal & General levels up co-working space with platform launch for UK-wide rollout

Legal & General Investment Management Real Assets (LGIM Real Assets) announces the launch of FOUNDRY, its suburban co-working product to boost local employment and the levelling up of workspaces. The new business reimagines and repurposes commercial and residential buildings for micro, early-stage and growing small companies to:

- Promote local skills and employment
- Grow healthier, safer and more resilient communities
- Support the growth of responsible, regional business.

FOUNDRY enables businesses to choose a direct product that can be rented by the day, week, or month from a trusted landlord at the inception of their business. The space is beautifully designed and repositions an urban product, putting it in areas that are poorly served and completely curated to the towns it sits in. A place to work, retail and events are combined within one space. As brands mature and scale and office occupation needs shift, companies can move to Capsule, LGIM Real Assets' ready to go workplace offer which provides high quality, furnished and work-ready space.

It is estimated that FOUNDRY will support more than 400 SMEs in its first six months of operation. LGIM Real Assets has ambitions to roll out the initiative more widely with 15 other shopping centre, retail park, leisure, office, and residential Build-to-Rent locations being considered. FOUNDRY is a cross platform as well as cross sector product and can flex to feature workspace, micro industrial, managed office, micro retail, amenity and food and beverage.

The FOUNDRY team identifies assets ripe for diversification and repurposing then retains full control by designing, building, curating, and operating the schemes. Work is currently underway on three initial sites which FOUNDRY members will have total freedom to move across. LGIM Real Assets has partnered with Adam Walker who founded Crate which operates workspaces for early-stage businesses.

The Beacon Shopping Centre in Eastbourne, East Sussex is the pilot site and comprises a 4,000 sq ft micro retail hub for seed and concept retail brands and event space at ground floor level and 12,000 sq ft co working space at first floor. Work is already underway with the building due to open later this month. Two more locations will follow this year.

FOUNDRY creates flexible, affordable, professional, vibrant, mixed-use venues to give entrepreneurs space to think differently. The curated work-play spaces are in geographies that haven't previously been well served by local, modern working spaces. Each FOUNDRY will be different and reflective of the wants and needs of the local market, driven by a local management team at each location which includes a community curator. The workspaces will range in size from two person up to a 10-person office.

The micro retail hub will include seven rentable 'wardrobes' and two serviced retail spaces giving local makers and merchants a platform to launch ideas and grow organically. Successful brands could then expand into the main shopping centre. The co-working space features a mix of rentable desks, two to six person offices and three amenity retail rooms which will be rented to bookable operators for therapy, yoga, and health treatments.

Bill Hughes, Global Head of Real Assets for LGIM, said: "FOUNDRY is an opportunity for LGIM Real Assets to support a more inclusive and sustainable economy and reposition assets to serve as community hubs which deliver positive and more inclusive social outcomes for the local community.

"The new FOUNDRY platform forms part of our continued drive to be a market leader in place-based impact investing in the built environment. By helping to scale regional businesses, we create an impact ecosystem around our assets that is more financially sustainable."

Denz Ibrahim, Head of Retail and Futuring for LGIM Real Assets, comments: “FOUNDRY was born out of the Future Retail Blueprint we designed last year with the ultimate mission to create curated, future ready places for communities across the UK. FOUNDRY democratises workspace outside of London by levelling up some of the inter-regional inequalities and gaps in opportunity that exist for all business, but particularly start-ups. We strongly believe that wherever in the country you are based, every business should be able to stay local and still go far.

“As curators of the built environment, we want to create incredible places for people, diversify our occupier base, drive long term value for our investors and deliver social value by nurturing new talent and accelerating an incubation culture through our assets. Brand enhancing co-working space is in very short supply for solopreneurs, untethered and hybrid workers outside the capital. We believe in the UK and want to drive opportunity and civic pride back to entrepreneurial towns that have been overlooked and underinvested in for generations.

“FOUNDRY is the space where these ideas are born, bloom and intersect.”

Adam Walker, Co-Founder of FOUNDRY, adds: “FOUNDRY is a space to work, sell, meet and eat. It’s a place to find endless inspiration and collaboration and a platform for community representation. This can’t be replicated in a spare room or lock up garage.

“We are harnessing the power of the shared economy to create our own ecosystem of brands and entrepreneurs. These are forgotten urban areas with a wealth of talented people that want to grow their business alongside entrepreneurs on the same growth trajectory.”

LGIM Real Assets recently entered the second phase of its Future Retail Blueprint with the launch of the Gather, Street Market and Public programmes. The Blueprint rethinks and reinvents how the company does retail and seeks to diversify revenue streams and transform the rhythm of environments. Gather curates more than 3,000 live performances and programmed events, Street Market features a selection of local makers, merchants and foodies and Public stitches the whole offer together with public realm designed to develop a greater sense of community.

Notes to editors

About LGIM Real Assets

LGIM is one of Europe’s largest institutional asset managers and a major global investor. LGIM manages £1.4 trillion in assets*, working with a range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

LGIM Real Assets has assets under management of £39 billion* and is one of the largest private markets investment managers in the UK. Investing in both debt and equity and across the risk/return spectrum, LGIM Real Assets actively invests in and manages assets across commercial, operational, and residential property sectors, as well as infrastructure, real estate, corporate and alternative debt.

Taking a long-term view to future proof our investments, LGIM Real Assets continues to lead the industry in ESG performance, considering all environmental, social and governance issues at asset level as well as portfolio level.

* at 31 December 2021

About Adam Walker

Adam is the founder of Re-Curate and Crate, a workspace and leisure operator which would take brownfield, underutilised spaces outside of the traditional urban core and deliver container schemes targeted at the local SME catchment.

Adam’s specialisms include developing, delivering, re-positioning, and operating mixed use work and play place products. He advises and consults local authorities, property funds and development companies across the UK.

The occupier mix is a combination of office, micro retail and F&B. Landlords and councils use Crate as a place-making tool to shift the identity of a space and drive new types of occupiers into a town. Crate has built, delivered, and operates two container schemes on the periphery of London: Crate Loughton, Essex and Crate Walthamstow, East London.

Further information

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