



## Legal & General invest €54m in Clúid Housing to increase supply of social housing across Ireland

LGIM Real Assets (Legal & General) announces that it has provided €54 million in long-term financing to Clúid Housing, one of Ireland's largest approved housing bodies (AHBs). The funding will enable the delivery of c.200 new social homes across Ireland, and marks the first Irish AHB to secure a financing agreement of this scale with an international institutional asset manager. Aligned with its social purpose, Legal & General has over £1.5 billion invested in affordable housing to date in the UK. This transaction represents Legal & General's first investment in the Irish social housing sector, and brings much needed long-term pension fund capital to the housing sector.

With over 68,000<sup>1</sup> households on the waiting list for social housing in Ireland, the Irish Government has made a commitment to ensure that everyone can access a home, either on their own or with State support. As part of an ambition to increase the provision of social housing in Ireland, facilitating the evolution of established funding structures for social housing projects, the Department of Housing, Local Government and Heritage (DHLGH), and the Housing Agency have adapted their funding requirements to support innovation in the AHB sector.

With a portfolio of over 8,000 homes across all counties in Ireland, Clúid has an ambitious growth strategy to deliver an additional 3,000 new social homes before the end of 2022. Legal & General's investment will enable Clúid to deliver more high quality social homes, and provide a socially useful home for pension fund capital. The first homes financed through the agreement are expected to be delivered in Q1 2021.

**Darragh O'Brien TD, Minister for Housing, Local Government and Heritage**, said: "Approved Housing Bodies play a vital role in delivering social housing and continue to make progress against our housing delivery targets. Today's announcement demonstrates the innovative ways in which AHBs like Clúid are diversifying their funding models to achieve even greater value for money whilst refusing to compromise on quality. This is an exciting development for the AHB sector and I look forward to seeing the output from this agreement in the coming months."

**Steve Bolton, Head of Corporate Debt, Europe, LGIM Real Assets** said; "As we continue to expand the LGIM business in Ireland, we are delighted to have made our first investment in the affordable housing sector.

"There is an urgent need to innovate in this sector and provide good quality, stable homes for the many thousands of households on the social housing waiting list in Ireland. Covid has further highlighted the central role of the home in people's lives, demonstrating the need for more good quality, affordable homes. Our investment in Clúid matches our extended liabilities and delivers real economic growth and social value."

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<sup>1</sup>[https://www.housing.gov.ie/sites/default/files/publications/files/sha\\_summary\\_2019\\_dec\\_2019\\_web\\_1.pdf](https://www.housing.gov.ie/sites/default/files/publications/files/sha_summary_2019_dec_2019_web_1.pdf)

**Fiona Cormican, Clúid's New Business Director commented:** "Clúid firmly believes that having your own front door, your own place to call home, opens the door to opportunities like seeking out employment, accessing education and other services that enable people to contribute to and enrich communities. We are committed to delivering good quality social housing.

"Clúid values all its funding partnerships. It is so important that our funders understand our commitment to delivering social housing and our long-term strategic objectives. LGIM is an ideal partner for Clúid and brings extensive experience having provided financing to affordable housing providers in the UK for many years now. For us, finding a funding partner with a wider social purpose is incredibly important."

"Our business plan is built on a solid understanding of our work and includes clear strategic objectives. We not only want to meet the needs of our existing residents but also the needs of our future customers too. This loan establishes a new template for funding social housing in Ireland. We anticipate that this innovative new financing model will encourage the development of future private financing agreements in the AHB sector. Today's announcement is a vote of confidence in Clúid, the Irish social housing sector and the Irish economy."

Centrus acted as Clúid's advisors and Byrne Wallace, one of Ireland's largest law firms, provided legal advice.

## **ENDS**

### **Notes to the Editor:**

#### **About Legal & General**

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 £1.1 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.

#### **LGIM**

Legal & General Investment Management (LGIM) has a strong presence in Ireland. The firm has been managing assets for Irish pension investors since 2002. Since 2012 LGIM has grown its Dublin based client team and is now recognised in the Irish pension and institutional market as a leading global asset manager. LGIM (Managers) Europe Limited was authorised in 2018 – LGIM's European entity to help drive the firm's growth in Europe – LGIM now has a growing team with more than 20 members located in Dublin and also has four other locations across Europe.

LGIM Real Assets is a division of Legal & General Investment Management (LGIM), one of Europe's largest institutional asset managers and a major global investor. LGIM manages £1.24tn in assets (as at 30 June 2020), working with a range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors. LGIM Real Assets has AUM of £35.9bn (as 30 June 2020) 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 in order 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. During 2020, we are developing a strategy as part of our commitment to net zero carbon emissions across the real estate equity business by 2050, and have also committed to measuring social value across 20% of our platform by the end of the year.

### **Clúid Housing**

Established in 1994, Clúid Housing is an independent, not-for-profit charity. Clúid is the largest approved housing body (AHB) in Ireland with over 8000 properties in management. Clúid leads the way in delivering social housing solutions to those on local authority housing lists. Our team of over 240 professional employees are committed to providing quality housing and services that enable people to create homes and thriving communities. For more information visit [www.cluid.ie](http://www.cluid.ie)

### **Further information**

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