

2 April 2020

LEGAL & GENERAL SELLS GRADE A BRACKNELL OFFICE FOR £32.9M

LGIM Real Assets announces that it has completed the sale of Honeywell House, Bracknell town centre, to Runnymede Borough Council for £32.9 million, reflecting a net initial yield of 5.32%.

Honeywell House comprises 72,604 sq ft of Grade A office space and is let with a strong tenant covenant to Honeywell Control Systems Limited. In 2019, LGIM Real Assets carried out extensive refurbishment of the asset as well as completing a re-gear with occupiers Honeywell agreeing a new 11.5 year term. This transaction enabled Honeywell to have Bracknell as their new headquarters and delivered significant added value.

Matt Jarvis, Senior Fund Manager at LGIM Real Assets, said: “Having acquired the asset for £23.2 million in 2015, the sale of Honeywell House for £32.9 million marks the conclusion of a highly successful asset management programme, having re-gear the lease with Honeywell last year. We initiated the sale of this asset in January 2020 and are pleased at the price we have achieved. This sale demonstrates that despite a more challenging market, strong assets continue to generate interest.”

The sale of Honeywell House to Runnymede Borough Council forms part of their investment strategy to acquire high quality assets to secure income in order to fund an in-borough regeneration programme.

Colliers acted for Legal & General on this deal and TT&G advised Runnymede.

- Ends -

For further information, please contact:

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Notes to editors

LGIM Real Assets

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 £1.2tn in assets (as at 31 December 2019), working with a range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors. LGIM Real Assets has AUM of £30.8bn (as 31 December 2019) 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 its investments, the business continues to lead the industry in ESG performance, considering all environmental, social and governance issues at asset level as well as portfolio level.

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 almost £1.2 trillion in total assets under management at 31 December 2019, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pensions de-risking, life insurance, workplace pensions and retirement income. We have also invested over £25 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.