

Legal & General & PGGM's Bishopsgate Property Fund concludes strategy with total sales reaching £474m

Legal & General Investment Management Real Assets (LGIM Real Assets) has announced that, on behalf of the joint venture partnership with PGGM and Legal & General Capital (LGC), it has sold all the properties held by Bishopsgate Property Fund.

In the second half of 2021, LGIM Real Assets sold 11 assets across all sectors in London and Brighton to individual purchasers for a combined sales value of £169.5m. The properties included 101 St Martin's Lane in London, Selco in Walthamstow, 95-97 High Street in Clapham and I-Scene in Ilford.

The joint venture initially acquired the 24-asset portfolio in 2014 for £360m and following the final disposal, the sale values for all properties in the portfolio was £474m. This is almost double the MSCI reported capital value growth over the period.

LGIM Real Asset's asset management of the portfolio resulted in the completion of 65 new lettings, 13 lease renewals, 20 lease re-gears, 19 reversionary rent reviews and 11 dilapidations settlements. A total of 128 value accretive asset management initiatives created approximately £57m of added value.

Will Edwards, Head of Emerging Strategies for LGIM Real Assets, said:

"We are delighted to have successfully concluded the disposals programme necessary to conclude the Bishopsgate Property Fund strategy within our targeted timeframe and to have delivered a geared return significantly in excess of the investment objective.

"We have enjoyed working and building a successful relationship with both Limited Partners over the past seven years."

Dirk Bootsma, Senior Director for PGGM, added:

"We are very pleased with the successful execution of the joint venture strategy. The value-add initiatives have been very well managed in the unique market circumstances."

LGIM Real Assets and the Bishopsgate Property Fund were represented by Knight Frank and Macfarlanes and the debt providers were Santander and Wells Fargo.

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

Further information

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