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## LEGAL & GENERAL LAUNCHES FUTURE CITIES COMMISSION AND SECURES SECOND LEEDS GOVERNMENT HUB, BRINGING LEEDS INVESTMENT TO OVER £1.1BN

Legal & General announces that it has acquired Quarry House in Leeds for £243m. Representing its eleventh Government hub deal, the deal brings its investment into the Government Hub programme to over £1.5bn and investment into Leeds to over £1.1bn.

Acquired on behalf of Legal & General Retirement, the 373,913 sq ft office-based building is situated on the eastern fringe of Leeds city centre and let to The Secretary of State for Housing, Communities and Local Government for 25 years, on behalf of the DWP. Quarry House marks Legal & General's second Government Hub investment in Leeds in a month, having purchased Wellington Place on behalf of HMRC and NHS Digital in August. Worth a combined value of £454m, the investments are creating and supporting 15,000 local jobs, while driving regional economic and productivity growth.

The deal closed the same day that Legal & General hosted its inaugural Future Cities Commission (FCC) in Leeds, where it pledged to invest significant further capital into UK cities, in partnership with the public sector and local communities. At the event, which hosted experts from across the UK, including mayors, local authority leaders, chief executives and industry leaders, it was debated how culture, sustainability, infrastructure, science and technology, and an aging population are all vital when thinking about building the cities of the future.

**Speaking at the event, Nigel Wilson, CEO of Legal & General Group, said:** "We have never had such a great opportunity to shape of our future cities in order to rocket fuel our economy and change lives for generations. \$17tn earns less than nothing globally and we have growing pools of pension capital in the UK. Patient capital needs investment opportunities. That is why we will continue to invest in UK cities. Our latest Government Hub in Leeds is another great example."

**Kerrigan Procter, CEO of Legal & General Capital, commented:** "Inclusive Growth has to be the goal for Future Cities. Clean energy, infrastructure, urban regeneration and technology are all the building blocks of our ecosystem, driving increased productivity and output. Investing in our cities and changing people's health and happiness is the greatest multiplier of economic and social growth."

**Bill Hughes, Head of LGIM Real Assets, said:** "As a business, we decided we could no longer be just about real estate. We had to be about wholesale economic and social solutions for towns and cities. Our FCC brought together partners from across the country to discuss the skills, expertise, capital and local requirements each city and town needs to thrive. Our transactions in Leeds exemplify this commitment, with £1.1 billion invested into major regeneration projects such as the

redevelopment of Headingley Cricket Stadium; a city centre Build To Rent scheme; and the mixed-use Thorpe Park Leeds scheme, as well as key infrastructure and Government Hubs.”

**Tom Roberts, Head of Strategic Investment, at LGIM Real Assets said:** “Our acquisition of Quarry House, Legal & General’s eleventh Government Hub investment, highlights the continued success - and our commitment to - the Government Hub programme. Our investment in the programme has now surpassed over £1.5bn and we have a very strong appetite to secure more. Aiding regional regeneration and supporting employment and productivity growth remains a key driver for us, whilst the Government Hubs Programme is a perfect match for Legal & General Retirement’s pension commitments, offering security through high-quality long-term investments.”

Jones Lang LaSalle and Clifford Chance advised Legal & General on the acquisition of Quarry House. It has been purchased by Legal & General from R20.

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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 £1.1tn in assets (as at 30 June 2019), working with a range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors. LGIM Real Assets, headed up by Bill Hughes, has AUM of £33.4bn (as 30 June 2019), actively investing and managing assets across commercial property, private residential, infrastructure and property lending and, most recently, corporate credit.

#### **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 over £1.1 trillion in total assets under management, we’re the UK’s largest investment manager for corporate pension schemes and a market leader in pensions de-risking, life insurance and workplace pensions. We have also invested over £19 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.