

21st January 2019

LEGAL & GENERAL ACQUIRES BTR SITE IN CHELMSFORD

LGIM Real Assets (Legal & General) announces that it has exchanged contracts on a new Build To Rent (BTR) site in Chelmsford City Centre, on behalf of its UK Property Fund (“The Fund”).

Since launch in 2006, the UK Property Fund has grown from £100m to over £3bn today as it continues to see steady capital investment from retail investors. This is the first BTR acquisition for The Fund as it continues to diversify its holdings into more operational assets, whilst adding to its Alternative exposure. This latest acquisition will sit alongside The Funds’ other recent alternative investments in hotels, healthcare and student accommodation.

The BTR site, known as Chelmer Waterside, forms part of a major mixed-use development in Chelmsford which will provide a landmark urban regeneration scheme for the city, comprising 421 residential apartments, associated landscaping and local retail amenities. The BTR element, being developed by Taylor Wimpey in conjunction with Legal & General, comprises 104 studio, one, two and three bedroom apartments in two adjoining Freehold blocks, 10 minutes’ walk from the city centre. The site is bounded by the River Chelmer and Springfield lock, with balconies offering sought-after riverside views.

Legal & General and Taylor Wimpey were advised by Savills and Colliers respectively on this acquisition.

Legal & General has a strong track record in the BTR sector and this purchase marks the eleventh BTR assets across Legal & General’s wider platform.

Matt Jarvis, Senior Fund Manager, UK Property Fund, at LGIM Real Assets, said: “This acquisition is in line with our strategy for the UK Property Fund to increase our exposure to alternative operational assets, whilst demonstrating the breadth of our wider fund management platform which has enabled us to collaborate with our well established BTR team. As we continue to actively diversify our holdings into more alternative sectors, Build to Rent will remain a preferred subsector alongside operational hotels, self-storage and student accommodation, giving us real time access to occupational markets with a robust rental growth story.

“Chelmsford in particular has strong location dynamics, benefitting from a 40% increase in average prices over the last 10 years, according to the UK HPI. With excellent commuter links to London, it is also set to experience notable population growth, placing further demand on housing.”

- Ends -

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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 £983.3bn in assets on behalf of over 3,200 clients (as at 31 Dec 2017), providing products and solutions spanning all asset classes. LGIM Real Assets, headed up by Bill Hughes, has AUM of £27bn (as at 31 Dec 2017), 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 a number of growing businesses in the US. Over fifteen million people worldwide rely on us to help them save for the future and to protect their families and their homes.

We operate in three principal areas:

- Investing & Annuities, where we manage £58bn of retirement annuities for policyholders and invest for their long term return within Legal & General Retirement, as well as investing our own balance sheet within Legal & General Capital;
- Investment Management, where we have £983bn in total assets under management from clients in the UK, US, Asia and EMEA and a leading UK workplace savings and retail investments business within LGIM; and
- Insurance, where we provide protection against life events for customers, with £2.9bn of gross written premiums principally in life insurance in the UK and US within Legal & General insurance and household insurance in the UK within our General insurance division.