



## Legal & General's Build to Rent Fund secures £265m debt facility from Lloyds, Natwest, and ING to refinance asset level facilities

LGIM Real Assets, on behalf of its Build to Rent Fund, has arranged a £265m club facility supported by a banking group consisting of Lloyds, Natwest and ING. Lloyds acted as Documentation Coordinator & Agent and Lloyds, Natwest and ING as Mandated Lead Arrangers.

The debt facility will be allocated against eight of the Fund's operational assets and is provided by way of £150m term facility and £115m revolving credit facility. The facility will principally be used to refinance £220m of existing development facilities, representing a significant milestone for the BTR Fund as it matures into an investment fund – as opposed to a majority development asset portfolio.

LGIM Real Assets' BTR Fund has over 5,000 homes across 15 schemes in the UK, bolstering Legal & General's continued commitment to the regions, the levelling up agenda, and the growing strength of regional hubs across the UK. The financing will be allocated to eight of the Fund's operational assets in Salford, Manchester, Bath, Walthamstow, Bristol, Leeds, and Birmingham.

In the last few years, the BTR sector has come into its own. It has cemented its position in the UK as an asset class and is successfully evolving away from the private rented sector. Since its inception in 2016, the BTR Fund has grown exponentially. Despite the challenges faced as a result of the coronavirus pandemic, in this year alone, the Fund has welcomed its first residents to its flagship Mustard Wharf schemes in Leeds, Box Makers Yard in Bristol and completed the final phase of The Slate Yard in Salford, plus committed over £150m in investments to Birmingham and Leeds respectively. With a rapidly growing portfolio of over £2bn and a pipeline to deliver a further 7,500 homes by 2025, LGIM Real Assets remains a leader within the sector.

**“As we prepare for economic recovery, greater investment in the UK's regional cities - particularly to deliver vital new housing - is needed. The BTR Fund continues to invest across the UK, playing an important role in Legal & General's wider urban regeneration agenda. LGIM Real Asset's BTR Fund has seen successive momentum over the past year, now with a portfolio of over £2bn we're keen to continue with this precedent.**

**This fund facility represents a major step forward for the BTR Fund, and signals a real turning point, as it evolves from a development-centric to an investment-centric portfolio. The BTR sector has continued to present itself as solid investment proposition; with the fundamental backdrop of continued pressure on UK housing, this isn't set to dwindle. This makes exposure to the residential sector a timely addition for investors.”**

**Dan Batterton, Senior Fund Manager, LGIM Real Assets**

**“As long-term supporters of the UK's housing market, we're proud of the role we've played in helping L&G step up its own plans to provide high-quality housing across every corner of the UK, and to support the BTR Fund as it moves into its next phase with this investment facility. This fund will form a part of the effort to tackle the housing crisis that will be crucial to address if we're to bounce back from the pandemic sustainably and with levelling-up front of mind.”**

**Klaus Betz-Vais, Managing Director at Lloyds speaking on behalf of the lending group**

## Notes to editors

### 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 almost £1.3 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. Through inclusive capitalism, we aim to build a better society by investing in long-term assets that benefit everyone.

*\* at 31 December 2020*

### About Investment Management Real Assets (LGIMRA)

Legal & General Investment Management Real Assets (LGIMRA) is a division of Legal & General Investment Management (LGIM), one of Europe's largest institutional asset managers and a major global investor. LGIM manages £1.28tn in assets (as at 31 December 2020), 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 £36.3bn (as at 31 December 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. In 2021, we are implementing 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

## Further information

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