



FOR PROFESSIONAL INVESTORS ONLY. CAPITAL AT RISK.

Hyde Group and L&G launch partnership to deliver more affordable homes

- New joint venture combines pension money in L&G's annuity portfolio and affordable housing expertise with Hyde's national housing platform, to develop, manage and service affordable homes at scale
- Partnership is a blueprint for how institutional investors and social housing charities can collaborate to address the housing crisis
- Delivers a triple return: stable, inflation-linked income for pension savers; measurable social value for residents; and reduced pressure on the public purse
- Launches with a seed portfolio of over 1,000 homes across social rented and shared ownership tenures

Hyde Group and Legal & General ("L&G") today announce that they have formed a new investment partnership to deliver more affordable homes across the UK.

The joint venture brings together two of the UK's largest investors in housing¹: L&G – a major UK insurer, pension scheme manager and affordable housing leader that has invested more than £1bn through its L&G Affordable Homes business – and Hyde, a not-for-profit housing, property and community services provider, that owns or manages 125,000 homes. The deal is a blueprint for how institutional capital can be invested to help fund social and affordable housing.

The 50/50 partnership is launching with a seed portfolio of over 1,000 homes – encompassing social rented and shared ownership homes – with the ambition for further joint investment. The homes will be acquired by two existing For-Profit Registered Providers (FPRPs) which are jointly owned by Hyde Group and L&G (Halesworth Limited and Lanecroft Homes Limited).

England needs 90,000 new social homes a year for a decade, according to the National Housing Federation². The government's Social and Affordable Homes Programme provides £39bn in welcome grant funding over the next decade, but this is approximately 20% of the funding required³. The partnership demonstrates how pension capital and institutionally-owned registered providers can work together with housing associations, alongside public investment, to deliver additional affordable homes – aiming to generate stable, inflation-linked returns for pension savers while delivering homes the country urgently needs.

The partnership will be jointly equity financed by Hyde and L&G. The partnership will be supported through L&G's annuity portfolio, which deploys capital into productive assets that aim to generate income to support long-term pension commitments, whilst helping to drive regional regeneration and delivering long-term positive societal impact, as part of L&G's £2bn commitment to drive positive social impact and growth across the UK.

¹L&G has invested over £1bn in affordable housing since the business was established in 2018, L&G data as of December 2025. Hyde Group owns and/or manages about 125,000 homes across the UK, making it one of the largest housing providers in the UK, Hyde Group data as of September 2025.

²National Housing Federation, annual social housing need estimate: <https://www.housing.org.uk>

³Making Social Rent Homes Viable, Grainger plc / Mike Keenan, 2025. The report estimates the annual subsidy required at £18.83bn; the government's £39bn over 10 years equates to approximately £3.9bn per year: <https://www.graingerplc.co.uk>



Through this funding model, which leverages L&G's long-term patient capital and the Hyde Group's footprint, as both a social housing charity and national deliverer of housing management (through its ownership of Pinnacle Group), the JV will be able to share financial obligations and invest on a greater scale more quickly. Hyde recycles any profits into creating more affordable housing, and by re-investing in existing homes, the partnership will work together to create more high-quality, sustainable homes.

New homes will be delivered to the highest energy performance standards, in line with Hyde's approach that all new homes it builds will reach a minimum of EPC high band B by 2027, and EPC band A by 2030, and L&G's longstanding commitment that all new homes will be Net Zero in operation by 2030.

Through the partnership, housing management services will be provided by the Hyde Group, including using Pinnacle Group's platform. Hyde acquired Pinnacle Group in October 2024, creating a national housing platform that develops, manages and services affordable homes at scale across all four nations of the UK. Pinnacle, which manages over 70,000 homes, already manages homes on behalf of L&G Affordable Homes under a ten-year framework agreement, providing tenancy management, building compliance, repairs and maintenance across a portfolio of c.3,000 affordable rent and shared ownership homes, with a further pipeline of over 500⁴. That established working relationship provides the operational foundation for this partnership from day one.

L&G Affordable Homes will leverage its successful track record within the sector, which includes building a portfolio of over 9,000 affordable homes, to act as strategic asset manager to the partnership with assistance from Pinnacle Investments (which joined the Hyde Group in August 2025).

This is the beginning of a long-term partnership that will help deliver a significant pipeline of new, high-quality environmentally sustainable homes for the future. The partnership helps accelerate L&G's ambitions to deliver 10,000 new social and affordable homes by 2030, and Hyde is due to complete over 5,500 homes in the next five years.

The partnership will also have the ability to invest in homes requiring green retrofit. This strategy could accelerate the improvement of customers' homes, reduce energy bills, improve quality of life, and help deliver positive environmental impact.

Andy Hulme, Group Chief Executive of the Hyde Group, commented: "There's a gulf between the funding available and the funding needed to deliver the affordable homes the country needs. Grant alone will not close it. The only way we can close this gap is by bringing pension and other responsible capital into the mix – and that is exactly what this innovative partnership delivers."

"Hyde offers institutional investors a complete end-to-end service, from investment structuring through to managing homes and the community around them, with every penny of commercial profit reinvested in building more affordable homes and improving existing homes. With L&G's long-term capital and our national platform, we can deliver more homes, faster."

Catherine Raynsford, Managing Director – stock acquisitions, L&G Affordable Homes, said: "Since establishing our affordable housing business in 2018, L&G has built a strong track record as a trusted leader in delivering high-quality, affordable homes across the UK. This new partnership with Hyde marks an exciting milestone, combining our heritage and expertise with an innovative approach that aims to attract institutional investment and accelerate the delivery of much-needed affordable housing nationwide."

Gareth Mee, CEO of Institutional Retirement at L&G, commented: "The UK needs nearly a million affordable homes, and L&G is committed to driving the investment and action needed to meet this challenge. As a long-term investor in the UK economy, we have a track-record of deploying pensions capital into resilient, productive assets across the country, as reflected by our £2bn regional growth commitment. This innovative partnership will

⁴Pinnacle Group, L&G Affordable Homes case study: <https://www.pinnaclegroup.co.uk/case-study/legal-general-affordable-homes/>



accelerate the delivery of new affordable homes nationwide, delivering strong, predictable returns to match our pension commitments with long-term investment that makes a tangible impact on local communities.”

-ENDS-



Notes to editors

Background to the partnership

- L&G and Hyde will jointly support the partnership with governance, reporting, assurance and finance functions.
- Hyde has consulted with its customers on the transfer of ownership. There will be no changes to customers' tenancies or leases as a result of the transaction. Customers will also enjoy continuity of services, with the Hyde Group (incorporating Pinnacle Group) managing the homes on behalf of the partnership.
- Through the partnership, Halesworth Lanecroft Partners Holdco Limited, the homes will be acquired by two existing For-Profit Registered Providers (FPRPs) jointly owned by Hyde Group and L&G (Halesworth Limited and Lanecroft Homes Limited).

Market context

- England needs 90,000 new social homes per year for a decade (National Housing Federation: <https://www.housing.org.uk>).
- The government's £39bn Social and Affordable Homes Programme (2025–35) targets 180,000 social rent and 120,000 affordable homes over ten years. This represents approximately 20% of the annual subsidy required to meet the NHF target (Making Social Rent Homes Viable, Grainger plc, 2025: <https://www.graingerplc.co.uk>).
- Councils spent £2.8bn on temporary accommodation in the latest year, a 25% increase. The London shortfall alone exceeds £740m (Department for Levelling Up, Housing and Communities: <https://www.gov.uk/government/organisations/department-for-levelling-up-housing-and-communities>).
- 1.3 million households are on local authority waiting lists in England (Department for Levelling Up, Housing and Communities: <https://www.gov.uk/government/organisations/department-for-levelling-up-housing-and-communities>).
- Hyde's Value of a Social Tenancy (VoST) research quantifies the social and economic value of each social tenancy at £18,561 per year, rising to £31,703 including the economic impact of building and maintaining homes (Hyde Group, 2025: <https://www.hyde-housing.co.uk>).

About L&G

Established in 1836, L&G is one of the UK's leading financial services groups and a major global investor, with £1.2 trillion in total assets under management (as at FY25) of which c. 43% (c. £0.5 trillion) is international. We have a highly synergistic business model, which continues to drive strong returns. We are a leading player in Institutional Retirement, in Retail Savings and Protection, and in Asset Management through both public and private markets. Across the Group, we are committed to responsible investing and dedicated to serving the long-term savings and investment needs of customers and society.

About the Hyde Group

For almost 60 years, Hyde has provided affordable homes for people to help achieve our vision of a great home for everyone.

We're here for our customers and the communities we serve, creating homes and places people can be proud of.

As a Group, we bring together organisations that share a commitment to providing great homes and services, and to supporting the communities we work with. Partnerships with organisations that share our values and focus on



customers is part of our long-term strategy to help us do more for our customers and to meet our founding social purpose.

Today, we own and manage around 125,000 homes, making us one of the largest and most diverse housing and community services providers in the country. We provide neighbourhood services to around 350,000 homes across the country, proudly support our Armed Forces community with their housing needs, and work with critical areas of the public and private sectors, including schools, hospitals, and local councils.

We're also using our knowledge and expertise to help more people to have a home. We're working with our local authority partners, homebuilders, and like-minded investors, to find new ways to build more affordable homes, because we can't stand by and wait for others to fix the housing crisis.

We're Hyde – we're here for our customers, and we're here for good.

To find out more about the Hyde Group visit www.hyde-housing.co.uk.

Further information

Name: Sami Dodangeh

Role: Senior Communications Manager

Business: Asset Management

Email: sami.dodangeh@group.landg.com

Name: Di Merwood

Role: Communications Manager

Business: Hyde Group, including Pinnacle Group

Email: di.merwood@hyde-housing.co.uk

Key Risks

***Assumptions, opinions, and estimates are provided for illustrative purposes only. There is no guarantee that any forecasts made will come to pass.** The value of an investment and any income taken from it is not guaranteed and can go down as well as up, and the investor may get back less than the original amount invested. Past performance is not a guide to future performance. The details contained here are for information purposes only and do not constitute investment advice or a recommendation or offer to buy or sell any security. The information above is provided on a general basis and does not take into account any individual investor's circumstances. Any views expressed are those of L&G as at the date of publication. Not for distribution to any person resident in any jurisdiction where such distribution would be contrary to local law or regulation. Please refer to the fund offering documents which can be found at <https://fundcentres.landg.com/>

This financial promotion is issued by Legal & General Investment Management Ltd. Registered in England and Wales No. 02091894. Registered office: One Coleman Street, London EC2R 5AA. Authorised and regulated by the Financial Conduct Authority.