



## Legal & General's Suburban Build-to-Rent business signs £150m Loan to deliver next generation of healthy homes

Legal & General's Suburban Build-to-Rent business (LGSBTR) announces that it has signed a £150m five-year Revolving Credit Facility to finance its pipeline of 1,000 Suburban Build-to-Rent homes. Backed by HSBC UK, Barclays and Natwest, the facility will help to address the significant demand for quality rental housing across the UK, creating the high-quality homes and communities that enable people to live healthier lives.

The loan follows LGSBTR's recent announcement with Cala Homes on the exchange of 107 homes at Buckler's Park, Crowthorne, in the South East of England. This was the first forward funding transaction between LGSBTR and major homebuilder Cala, which are both owned by Legal & General Capital.

Legal & General's SBTR platform creates much needed, high quality family homes in areas connected to schools, transport infrastructure and key amenities, offering a best-in-class product, exceptional service as an institutional landlord, and a long-term, reliable service proposition for customers. LGSBTR homes are designed to reflect new ways of living post-COVID and features that promote health, such as exceptional build quality, home offices for flexible working, and access to more extensive outdoor space. In line with Legal & General's wider commitment to sustainability, the SBTR platform will target to be operationally carbon net zero from 2030.

LGSBTR have also set up a *Healthy Communities Committee*, which includes learnings from the NHS Healthy New Towns programme, to support health and wellbeing throughout the communities it creates. The committee will ensure that all homes and communities are designed specifically with health and wellbeing at their core.

**"To have secured a facility of this size in such a challenging credit environment is testament to the merit of the product that SBTR is delivering, as well as the strength of relationship with our banking partners.**

**Now more than ever there needs to be an affordable rental option that provides a viable choice. At LGSBTR we are determined to meet that need with high quality, well managed and specifically designed properties. LGSBTR are delighted to be working in partnership with HSBC UK, Natwest and Barclays, with this loan facility being the vital next step in helping us to deliver our mission, addressing the shortfall in high quality affordable rental properties."**

**Jane Sullivan, Finance Director, Suburban Build To Rent – Legal & General Capital**

**"Committed to creating sustainable and healthy communities for our customers, we have established an internal *Healthy Communities Committee*, recognising the homes and communities we create can play a significant role in addressing health inequalities in future. This Loan facility will support this ambition and help us to deliver a new choice of healthy homes for renters."**

**David Reid, Managing Director, Suburban Build To Rent – Legal & General Capital**

**"We are delighted to support Legal & General in bringing much needed, high quality, professionally managed accommodation to the private rented sector. We believe the structural fundamentals will support single-family BTR in becoming a leading UK investment sector, as has been demonstrated in more mature rental markets overseas."**

**Michael Goode, Director & BTR Lead – NatWest**

**"HSBC UK is committed to helping its clients accomplish their social responsibility goals. The provision of high-quality affordable housing not only makes good business sense but more importantly will have a big impact on our communities."**

**Dan Wright, Head of Housing – HSBC UK**

## 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 over £1.2 trillion in total assets under management\* of which a third is international. We also provide powerful asset origination capabilities. Together, these underpin our leading retirement and protection solutions: we are a leading international player in pension risk transfer, in UK and US life insurance, and in UK 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 Dec 2022

### About Legal & General Capital

Legal & General Capital (LGC) is Legal & General Group's alternative asset platform, creating assets for Legal & General Retirement and third-party clients in order to achieve improved risk-adjusted returns for our shareholders. LGC has built its capabilities in a range of alternative sectors, including in residential property; specialist commercial real estate; clean energy; alternative credit; and venture capital, which are all supported by long-term structural growth drivers, meet a financing gap and respond to a scarcity of supply that is underpinned by enduring societal needs.

Its purpose is to invest society's capital for society's benefit. Investing in the real economy and supporting the Group's focus on climate and inclusive capitalism, LGC's investments create jobs, change lives and contribute towards a net zero carbon future.

Legal & General has invested over £29bn in levelling-up regional economies, including through major UK-wide regeneration schemes and has recently made a commitment to enable all its new homes to operate at net zero carbon emissions from 2030.

\*at 31 Jun 2021

### About Legal & General SBTR

As a Group, Legal & General has a strong track record within the build-to-rent sector. Having launched its Build to Rent Fund in 2017, it now has over 5,500 homes in operation or development across the UK's major towns and cities. The SBTR sector, however, has lacked the same concentration of investment, with less than 1% of the market having benefitted from patient capital compared to c. 6% for the urban sector. Recognising this untapped potential and the societal need for high quality family homes to rent, Legal & General is at the forefront of institutionalising the suburban rental sector.

Legal & General's suburban Build-to-Rent (L&G SBTR) platform creates much needed, high quality family homes in areas connected to schools, transport infrastructure and key amenities, offering a best-in-class product, exceptional service as an institutional landlord, and a long-term, reliable service proposition for customers. L&G SBTR homes are designed to reflect new ways of living post-COVID, such as incorporating home offices and offering access to more extensive outdoor space. In line with Legal & General's wider commitment to sustainability, the SBTR platform will target to be operationally carbon net zero from 2030. For more information, visit [www.legalandgeneral.com/suburban-rent/](http://www.legalandgeneral.com/suburban-rent/)

## Further information

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