

Legal & General brings total Real Assets investment in Cardiff to £1 billion as regeneration continues with £200m Build to Rent scheme

Legal & General (L&G) announces today that it has invested a further £200m in Cardiff to deliver 715 Build to Rent (BTR) apartments at the former Brains Brewery site in Central Quay, situated in a prominent location adjacent to Cardiff train station. Cardiff is one of the UK's leading places to live, work and invest, recognising this, today's announcement forms part of Legal & General's world class regeneration project – and marks Legal & General as the city's largest investor.

Legal & General is committed to helping drive regional economic growth in order to improve lives and deliver extraordinary social outcomes. It is using long-dated UK pension money to invest in our cities and towns, creating jobs, high-quality and varied housing and better infrastructure. This boosts productivity, and in turn, delivers vibrant communities in which people can live longer, healthier and happier lives.

As part of a major regeneration project in Cardiff, Legal & General has committed £1 billion in Real Assets to deliver:

- £285 million – 1,033 Build to Rent apartments at Central Quay (715 apartments) & Central Square (318 apartments), Legal & General's first BTR scheme in the city which opens in March 2023 and forms part of the Central Square regeneration
- £140 million – The Interchange – 120,000 sq ft of Grade A office space at Central Square
- £117 million – Government Hub delivering 270,000 sq ft of space for more than 4,000 civil servants
- £45 million – Parkgate Hotel – 170-bedrooms located next to the Principality Stadium, in partnership with the Welsh Rugby Union
- £200 million in financing to support Wales & Borders franchise to deliver a new cutting-edge train fleet.

Legal & General's investment in Central Square has been a significant driver in Cardiff becoming one of the fastest growing employment hubs in the UK – upon completion, it will create space for 13,000 new jobs. The provision of a further 715 BTR apartments, as announced today, will facilitate this trajectory of employment growth, and build on the long-standing role Legal & General has played in the urban regeneration of the city centre. As the UK prepares for economic recovery, greater investment in our regional cities, particularly to deliver new homes, is needed. The Build to Rent sector has an important role to play here, providing net-additional homes that wouldn't otherwise exist.

The £200 million BTR development at Central Quay will provide residents with a unique offer of city centre living on the waterfront. The development will consist of a mix of studio 1, 2 and 3 bed units and includes facilities such as a concierge, lobby, gym, gardens and terraces, as well as c. 19,500 sq. ft of leisure and retail space. The site will be delivered in partnership with Watkin Jones and Rightacres, the landowner.

Tom Roberts, Head of Strategic Investment at LGIM Real Assets, said: "Investing long-term capital in what society needs has never been more important. For the past decade, Legal & General has brought partnership models, expertise and capital to stimulate mixed-use redevelopment – long before 'levelling up' was coined.

"Our £1 billion Real Assets investment in Cardiff reflects what patient investment can achieve. Alongside partners Rightacres Property, Cardiff Council and the Welsh government, we have transformed Cardiff Central Square, not only changing people's first impressions of the city, but re-shaping Cardiff for the long-term. We're proud to progress this world-class regeneration, setting the city apart as one of the UK's leading places to live, work and invest."

Mike Powell, Head of Transactions, BTR, at LGIM Real Assets, added: "Residential rental demand has risen strongly in recent years due to increased activity in city centres across the UK, but supply is still constrained, leading to fast rental growth across the UK. Recognising the need to provide more high-quality rental homes across the UK,

Legal & General now has 20 sites in 12 cities nationwide, with more than 2,500 apartments already occupied and over 6,000 more under construction.

“Since the start of 2021, Legal & General has committed £900 million to seven new BTR projects across the UK, completing on two transactions in London, and committed to further developments in Southampton, Birmingham, Glasgow and Hove. This investment in Cardiff provides an opportunity to build on the role Legal & General has played in the urban regeneration of the city centre. The development of much needed homes will meet the employment growth that has been created. The development will deliver a new offering for young professionals to live, work and play in a river fronting environment.”

This investment follows several years in which Legal & General’s involvement in the development and regeneration of the regions has grown rapidly. Using dynamic partnerships with the public and private sector to level up regional economies, Legal & General has so far invested over £30bn into direct investments such as clean energy, transport infrastructure and multi-tenure homes.

Notes to editors

About LGIM Real Assets

LGIM is one of Europe’s largest institutional asset managers and a major global investor. LGIM manages £1.4 trillion in assets*, 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 £39 billion* 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 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.

** at 31 December 2021*

Further information

Name: LGIM PR Team

Email: lgimprteam@lgim.com