



Legal & General launches part-exchange ‘Home Purchasing Service’ for Inspired Villages’ retirement homes

Legal & General announces the launch of its part-exchange ‘Home Purchasing Service’ (HPS), now being rolled out across its Inspired Villages retirement communities. As Inspired Villages looks to facilitate a stress-free home buying process for its customers, the new HPS, which began being trialled in Q4 2020, has already received notable interest and results.

Potential residents using the HPS will see their property valued by three independent estate agents, with Legal & General offering a guaranteed cash sale at 95% of fair market value*. Current sales using the HPS have reduced exchange times from an average of 6 months to just 4 weeks, with negotiable move in dates**.

The COVID-19 pandemic has put a spotlight on where people live and the communities around them, particularly the vulnerable and those in later life. As people now choose to make important lifestyle changes, the HPS has been launched by Legal & General and Inspired Villages to smooth some of the stress of moving and being part of a chain sale process. According to data from Quick Move Now, one in four sales fell through before completion in 2019. A survey from Which? also highlighted anxiety related to moving home, which was rated the second most stressful life event, after divorce, by respondents. This new policy aims to remove the burden of selling a home on the open market; by offering an attractive, stress-free and faster option for those wanting – or needing - to move into a well-run retirement community. For those in later years, trapped in homes which are no longer safe or fit-for-purpose, the accelerated process could be critical to their long-term wellbeing.

Due to age-appropriate design, wellness facilities and services which enable quality of life, studies have shown that living in a retirement community leads to a 46% decrease in the number of planned GP visits and retirement village residents experience a 31% decrease in planned hospital admissions. As pressure on the NHS reaches critical levels, with 7,000 fewer beds available in England, Legal & General’s HPS policy should also help alleviate pressure on the health service as it looks to speed up the moving process to its communities which offer residents access to on-site care, as and when required.

Inspired Villages, established by Legal & General in 2017, is building and operating retirement communities that enable their residents to live healthier, happier, safer, and more independent and active lives. The latest policy is part of its ambitious expansion programme for Inspired Villages, broadening its existing offering which already includes a generous move-in package and a rental option which was launch in 2020.

Seeing significant growth since its foundation, Inspired Villages currently operates six later living communities across the UK and is set to add to the portfolio with a further 2,500 homes over the next six years. Its seventh village, Ledian Gardens in Kent is set to open in 2021. Through facilitating socially distanced physical and social activities, Inspired Villages has worked to help its communities through the pandemic, putting shielding in place to protect its residents, whilst organising online and outdoor exercise classes and socials, such as balcony bingo and G&Ts, to support mental wellbeing.

Phil Bayliss, CEO of Later Living at Legal & General Capital, said: “With 3.1 million over 60s seeking to downsize their homes, and priorities rapidly changing in light of the pandemic, we are keen to ensure that Inspired Villages is able to offer this opportunity to as many people as possible, as quickly as possible. The introduction of the Home Purchasing Service will

enable more people to move into a manageable sized property, whilst releasing capital, saving on bills and enjoying the benefits of an Inspired village. This is about us helping our customers move quickly, with certainty and minimal fuss.

Jamie Bunce, CEO of Inspired Villages, said: “At Inspired Villages, we are all about creating great options for residents in order to suit their individual needs. We want more people to be able to access the lifestyle, security and health benefits on offer at our retirement communities, and the new Home Purchasing Service provides a new route, which can speed up the moving process. Property chains collapsing is a disappointment we all know too well. In later life, it can be critical, for those trapped in homes which are no longer fit for purpose. We hope our new Home Purchasing Service will offer potential residents’ certainty of sale, whilst – together with our moving package - removing the hassles and stress. Once fully established, we are hoping that 25% of sales will come through the part-exchange programme.”

Home Purchasing Service – Case Study:

After lengthy sales delays, following the first national lockdown, and a health scare, Barbara became one of the first residents to use the Home Purchasing Service.

Barbara said: “The whole process was so fast, it was unbelievable. It was the beginning of October when I spoke to the village team about my concerns with the delays – by 23 October I had sold my house to Inspired Villages. Looking at this process in the round, it was absolutely the right thing to do”

Barbara also received an additional payment from Inspired Villages, on top of the Home Purchasing Service offer she had received, as the property sold over expected value. This means the resident receives an extra 80% of the profit made.

ENDS

Further information

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Notes to editors

** assuming the property meets certain criteria such as :*

- freehold
- strong nearby comparables
- over 95 years left of the lease
- no refurbishment required
- Clean title
- Valued below £1.5m

**If residents’ properties sell over expected value, Legal & General will share 80% of any upside, above the agreed threshold. Legal & General will also undertake a refurbishment programme, if required to maximise value and speed up the sale, and commits to cover all related agent’s and surveying fees and contribute towards moving costs.

About Inspired Villages

Established in 2017 by long-term partner Legal & General, Inspired Villages operates and develops later living communities in suburban and rural locations across the UK. Each village offers beautiful, age-appropriate homes with vibrant communities at their heart that enrich the lives of both residents and locals thanks to the numerous wellbeing facilities and activities on offer. Along with the added benefit of flexible, on-site care, Inspired Villages provides an outstanding lifestyle choice that promotes independent living for longer.

As a best-in-class operator, Inspired Villages was named 'Retirement Living Operator of the Year' at the Resi Awards 2019 and 2020, and 'Property Investor of the Year' at the HealthInvestor Awards 2019 and 2020.

www.inspiredvillages.co.uk

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 market leading capabilities in a range of alternative assets, delivering depth of resource, track record and intellectual property. Investing in the real economy and creating alternative assets that deliver a tangible societal impact, its purpose is to invest society's capital for society's benefit. LGC's investments have been vertically integrated and include: residential property; specialist commercial real estate; clean energy; alternative credit; and venture capital.

As LGC's capability to create alternative assets continues to grow, it will not only continue to grow its balance sheet alternative assets but also create alternative assets for third party investors. Many of these investors have the same aims, namely to create assets to back pensions with an improved yield or to create assets with strong growth prospects but with low correlation to equities.

L&G has invested around £26bn in levelling-up regional economies, including through major regeneration schemes in Cardiff, Newcastle and Salford. Legal & General recently made a commitment to enable all new homes across its portfolio to operate at net zero carbon emissions by 2030, including Legal & General Modular Homes, CALA Group, Legal & General Affordable Homes, Build to Rent and Later Living.

Legal & General Group

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 over £1.24 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.