



**For professional clients only. Capital at risk.**

## **Legal & General Private Credit expands partnership with Anchor to £100m, funding new affordable homes delivery**

**L&G's Asset Management division invests additional £85m in Anchor, England's largest provider of housing and care for those in later life, taking L&G's total private credit investment in Anchor to £100m<sup>1</sup>.**

Legal & General (L&G) has funded a new £85m investment with Anchor, which will use the proceeds primarily to fund the development of new affordable energy efficient homes, with plans to build an average of at least 500 homes a year over a rolling 10-year period.

The investment is structured as a 15yr bullet senior secured note as part of a £100m bilateral L&G shelf facility, which following this latest investment is now fully drawn. Investing on behalf of Legal & General Institutional Retirement, the transaction evidences the Private Markets capabilities within L&G's Asset Management division. L&G and Anchor have a well-established relationship, with a partnership of investments dating back to 2014.

Anchor is England's largest not-for-profit provider of housing and care for people in later life with more than 35,500 social rented properties, 12,500 homeownership properties, and 120 care homes. They serve more than 65,000 residents across 85% of local authority areas from almost 1,700 locations across England and have a team of more than 10,000 colleagues.

The investment provides an opportunity to support a socially focused housing provider, helping support the delivery of much-needed new housing supply. Building on the foundations laid by the UN's Sustainable Development Goals, Anchor's social impact is independently assessed across 14 interconnected goals, spanning a range of issues from building homes and sustainable communities to protecting the environment and making homes more energy efficient.

This investment follows prior funding to Anchor completed in February of this year, bringing our total private credit lending to Anchor to £100m.

**Steven Bolton, Head of Corporate Private Credit, Europe, L&G Asset Management division:** "We're really pleased to further strengthen our partnership with Anchor, helping them to create more homes across the UK for those in later life. We believe institutional investment can play an important role in helping to address societal challenges, and organisations like Anchor provide an enormous contribution in terms of social value."

"In the UK, we urgently need to drive up the delivery of all types of homes, across all tenures. As well as a housing shortage, affordability proves challenging, so funding the delivery of energy efficient and affordable homes is ever more important. There are 8.5 million people in England who can't access the housing they need<sup>2</sup>, and those in need of later living housing can often be overlooked, particularly given an ageing population. Anchor play a critical role in so many lives and we're pleased to be able to expand our partnership with them."

**Amanda Holgate, Chief Financial Officer, Anchor:** "There is a strong underlying demand for older people's housing and care. Our development strategy is concentrated where the need is greatest and the supply least,

---

<sup>1</sup>As at 2 July 2024.

<sup>2</sup>National Housing Federation, 2023.

namely social and affordable housing, extra care housing and care homes. We are pleased to be working with L&G so more people can have a home where they love living in later life.”

**Scott Douglas, Director – Capital Markets at Centrus:** “We are delighted to have arranged the £100m bilateral shelf facility between L&G and Anchor, and are pleased to see the relationship go from strength-to-strength based on strong alignment of core values and objectives. The additional £85m investment takes L&G’s total commitment to £100m, which will be used to support the delivery of energy efficient, affordable homes for those in later life.”

We believe Legal & General is uniquely placed to tackle the current housing crisis and deliver more homes. As a leading direct investor, operator, and developer in residential property, it has successfully scaled up multiple operating businesses providing homes for all demographics, ages, and tenures. It builds houses to sell and rent, provides lively retirement communities and is finding new ways to deliver affordable housing.

Investing globally, L&G’s Private Credit portfolio manages around £18.6bn<sup>3</sup> of investments on behalf of institutional clients globally. Its investment capabilities extend across real estate debt, infrastructure debt, corporate debt and alternative debt. Housing associations represent a core part of L&G’s Private Credit portfolio having currently invested c.£1.75bn<sup>4</sup>.

This transaction follows the launch of the L&G Affordable Housing Fund in July 2024. The Fund will invest in well-designed, purpose-built affordable rent and shared ownership housing in areas of acute need and demand across England. We believe Legal & General’s enduring commitment to affordable housing reflects the opportunities to secure steady, returns alongside positive social impact within local communities.

- ENDS -

## Notes to editors

### About Legal & General plc

Established in 1836, Legal & General is one of the UK’s leading financial services groups and a major global investor, with £1.122 trillion<sup>5</sup> in total assets under management (as at HY24) of which c40% (circa £0.5 trillion) is international.

We have a highly synergistic business model, which continues to drive strong returns. We are a leading international player in Institutional Retirement, in Retail Savings and Protection, and in both public and private markets through our Asset Management division. 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 our Asset Management Division

Established in June 2024, L&G’s asset management division combines deep expertise in asset management and origination with global distribution capabilities to deliver positive outcomes for our clients, which include individual savers, pension scheme members and global institutions, investing alongside L&G’s own balance sheet. As a global investor, we are present where our clients need us – from Hong Kong and Singapore, to major European financial hubs, to Chicago – operating under the Legal & General and LGIM brands.

We provide investment solutions across the full spectrum of asset classes, ranging from index-tracking and active funds to liquidity and liability-based risk management strategies. Through our private markets platform, we utilise our rich heritage and extensive network of partners to offer access to a wide range of purposeful alternative investment opportunities, including specialist real estate, clean energy, infrastructure, venture capital, unlisted equities and private credit.

Our division is underpinned by our enduring commitment to responsible investment, dedicated to creating long-term, sustainable value for our clients and partners.

---

<sup>3</sup>LGIM Internal Data, as at May 2024.

<sup>4</sup>As at July 2024.

<sup>5</sup>LGIM’s total AUM was £1.122 trillion, LGIM internal data as at 7 August 2024. The AUM disclosed aggregates the assets managed by LGIM in the UK, LGIMA in the US and LGIM Asia in Hong Kong (2018-2019 only) and LGIM Singapore from July 2023. The AUM includes the value of securities and derivatives positions.

## About Anchor

Anchor began 60 years ago and today is England's largest not-for-profit provider of housing and care for people in later life. It provides retirement housing to rent and to buy, retirement villages and residential care homes, including specialist dementia care. In total, Anchor serves more than 65,000 residents in 55,000 homes across almost 1,700 locations. Its residential care services employ the majority of the 10,000 strong workforce, providing services to residents at 120 care homes. Anchor operates in more than 85% of local councils in England. It is an accredited real Living Wage employer – a mark of recognition awarded by the Living Wage Foundation. For more information visit [www.anchor.org.uk](http://www.anchor.org.uk).

## Key Risk Warnings

Past performance is not a guide to future performance. For professional investors only. The value of investments and the income from them can go down as well as up and you may not get back the amount invested. 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 LGIM 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.

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.

## Further information

**Name:** Bella Golding

**Role:** Communications Executive

**Division:** Asset Management

**Email:** [bella.golding@lgim.com](mailto:bella.golding@lgim.com)

[www.lgim.com](http://www.lgim.com)

