

Legal & General completes largest residential investment in Northern Ireland

The investment, on behalf of Legal & General Retirement Institutional ("LGRI"), is L&G's first Build to Rent (BTR) investment in Northern Ireland and marks the largest real estate investment in the region for 20 years¹.

5 June 2023 - Legal & General ('L&G') today announces the funding of a £150m residential development in Belfast, Northern Ireland, committing to the largest residential investment in the region which will fund the development of 627 new homes – addressing soaring rental demand in the region.

The 627 homes form part of a residential development, known as Loft Lines, located within the Titanic Quarter in Belfast, on the banks of the River Lagan and by the Titanic Belfast Museum. On completion, the Build to Rent scheme will be made up of a mix of 1, 2 and 3-bed apartments, including resident facilities such as a gym, dedicated work from home space, podium gardens and terraces, and will include c. 11,000sqft of commercial space.

Loft Lines will be developed by Watkin Jones in partnership with Lacuna Developments, with completion expected in 2026.

According to Belfast City Housing Land Summary, there have been 363 rental homes completed in Belfast City Centre since 2015². The 627 homes funded by L&G will represent a 172% increase in total housing delivery since 2015. With a positive economic forecast and strong growth in Northern Ireland Belfast looks to represent an increasingly attractive city for Build to Rent investment.

Loft Lines is set to not only respond to the rental supply and demand imbalance in Belfast, but also transform the region's city centre living offer. Marking the first combined Build to Rent and mixed tenure affordable housing scheme in the region, Loft Lines will include an additional 151 affordable homes, funded and operated by Clanmil Housing Association. With a total of 778 new waterfront homes – comprising 627 BTR and 151 affordable homes – the Loft Lines scheme will repurpose the current brownfield site, and further catalyse the regeneration of Titanic Quarter.

The Titanic Quarter is one of Europe's largest waterfront urban regeneration areas. It is well connected, owing to a £150m Rapid Transport System delivered in 2018, to improve the efficiency of mass transit in the city. With an abundance of local amenities, employers including multi-national businesses, and cultural destinations within close proximity of the site, there is a thriving community and strong labour market – resulting in significant demand for high-quality residential property.

Legal & General remain committed to helping drive regional economic growth, in order to improve lives and deliver positive social outcomes. 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 £30bn³ into direct investments such as clean energy, transport infrastructure and multi-tenure homes.

Dan Batterton, Head of Residential at Legal & General Investment Management Real Assets: "Building on the significant momentum behind our BTR platform and its recent investments across major UK cities, we are excited to be entering a new market in Belfast. This latest scheme, our first in Northern Ireland, is an important and significant step to help address an enduring regional housing crisis and clear imbalance of supply and demand. We

¹ CBRE transactional data tracker

² Belfast City Council Housing Land Availability Report

³ Over one-in-ten UK households have nothing left to cut back on in the face of further energy price rises, Legal & General finds, 2022

believe 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. Our investment into this region demonstrates not only our confidence in the market but L&G's continued commitment to level-up our towns and cities."

"Our continued focus on BTR investments is testament to the asset class's resilience in the face of ongoing macro-economic pressures. It's promising to see that investors continue to understand the value in tapping into the demand for high quality rental property, in a sector that has continued to see substantial and sustained growth."

L&G's investment in Loft Lines follows a string of investments made by LGIM's BTR platform which now totals over 9,000 apartments under construction or in operation⁴ (as at June 2023). L&G were advised by CBRE.

Andrew Kail, CEO, Legal & General Retirement Institutional said: "We are thrilled to announce our BTR development in Belfast, which marks the largest residential investment in Northern Ireland. This significant milestone is a great example of how we're investing in socially-useful, economically attractive assets and using pension savings to create vibrant and sustainable living environments. Our investment will further elevate what is already one of the most exciting and dynamic urban regeneration areas in Europe, and will help to stimulate job creation, as well as drive economic growth for local businesses."

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Notes to editors

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Key Risk Warnings

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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 £1.29 trillion^[3] 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.

About Legal & General Investment Management

⁴ <https://www.legalandgeneral.com/institutional/real-assets/investment-solutions/real-estate-equity/specialist-funds/build-to-rent/>, as at June 2023

^[3] LGIM internal data as at 31 December 2022. 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). The AUM includes the value of securities and derivatives positions.

Legal & General Investment Management is one of Europe's largest asset managers and a major global investor, with total assets under management of £1.29 trillion. We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

For more than 50 years, we have built our business through understanding what matters most to our clients and transforming this insight into valuable, accessible investment products and solutions. We provide investment expertise across the full spectrum of asset classes including fixed income, equities, commercial property, and cash. Our capabilities range from index-tracking and active strategies to liquidity management and liability-based risk management solutions.