

Lendlease and CPPIB announce £1.5bn Build-to-Rent partnership

London, 16 January 2018: Leading property and infrastructure group, Lendlease, and the Canada Pension Plan Investment Board (CPPIB) have today announced the launch of a major UK Build-to-Rent investment partnership, with an initial target to invest £1.5bn in the sector.

The partnership will begin with an investment of c.£450 million in the next phase of new homes, which will be for private rent, at Lendlease's £2.3bn Elephant Park development in Elephant & Castle. CPPIB will invest c.£350 million for 80 per cent and Lendlease will invest the balance.

Today's announcement is in addition to the c.£800 million that Lendlease has already committed to housing and infrastructure in the development and will accelerate the delivery of private rental and affordable homes. Construction has already commenced, and the first homes in this phase are expected to be completed in 2020. Further to this initial investment, the partnership will also pursue opportunities within Lendlease's wider residential urban regeneration activities in London and across the UK under a 50:50 joint venture. It aims to help address the UK's housing shortage, over time, providing thousands of much-needed homes in London and across the UK via the development, and long-term ownership, of Build-to-Rent product.

Lendlease will develop, construct, and manage the Build-to-Rent homes on behalf of the partnership, ensuring a high-quality rental product and service, as a part of its strategy to encourage diverse and vibrant communities with a mix of tenures.

Dan Labbad, CEO of International Operations at Lendlease, said: "In recent decades, structural shifts in the housing market have meant that demand has outstripped supply in the private rented sector, leading to a shortfall of homes in London and across the UK.

"Today's announcement is a logical next step for us as a business and delivers on our strategy to grow our urban regeneration pipeline and accelerate the delivery of much-needed homes, by working with institutional capital partners to launch this new asset class for Lendlease's investment platform. CPPIB is already a highly valued, long-term global partner of Lendlease and we look forward to extending our relationship through this partnership."

Andrea Orlandi, Managing Director & Head of Real Estate Investments Europe at CPPIB, said: "This investment is a great opportunity for CPPIB to further diversify our European real estate portfolio, while at the same time addressing a need in the U.K. Through this partnership, we are able to access a sector we believe is poised for long-term growth, and we are pleased to be able to do so with Lendlease, one of our existing top global partners."

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NOTES TO EDITORS:**About Lendlease**

- Lendlease is a leading international property and infrastructure group with operations in Australia, Asia, Europe and the Americas.
- Our vision is to create the best places; places that inspire and enrich the lives of people around the world.
- Headquartered in Sydney, Australia, and listed on the Australian Securities Exchange, Lendlease has approximately 12,350 employees internationally.
- Our core capabilities are reflected in our operating segments of Development, Construction and Investments. The combination of these three segments provides us with a sustainable competitive advantage and allows us to provide innovative integrated solutions for our customers.
- Lendlease is behind some of London's largest and most exciting mixed-use regeneration projects such as Elephant & Castle and The International Quarter.
- Lendlease was recognised as the UK's Most Sustainable Residential Developer by the NextGeneration Sustainability Benchmark for setting new standards of sustainability and customer engagement for two consecutive years in 2016 and 2017, scoring more than double the industry average.
- CPPIB is invested in Lendlease International Towers Sydney Trust which holds a number of office towers at Barangaroo South in Sydney.

About Canada Pension Plan Investment Board

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 20 million contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York, São Paulo and Sydney, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At September 30, 2017, the CPP Fund totalled C\$328.2 billion. For more information about CPPIB, please visit www.cppib.com or follow us on [LinkedIn](#) or [Twitter](#).