



MEDIA RELEASE

18 September 2024

Cala announces new ownership Legal & General agrees sale with Sixth Street and Patron

Cala Group (Holdings) Limited (“Cala” or “The Company”), a major UK housebuilder, today announces that an agreement has been signed by Sixth Street Partners (“Sixth Street”), a leading global investment firm, and Patron Capital (“Patron”), the pan-European institutional investor focused on property-backed investments, to acquire the Company from Legal & General Group Plc (“Legal & General” or “L&G”).

Cala is a leading provider of desirable, high quality new homes across the South of England, the Cotswolds and Scotland. The Company is on track to deliver circa 3,000 new homes in the financial year ending 31st December 2024.

The sale has an enterprise value of £1.35bn and is expected to complete in Q4 of 2024.

Commenting on the acquisition, Kevin Whitaker, CEO of Cala said:

“Today’s announcement is excellent news for Cala. This investment by Sixth Street and Patron demonstrates their confidence in Cala’s business plan and further potential. We look forward to developing a strong partnership with Sixth Street and reigniting the excellent relationship we shared with Patron between 2013 and 2018.

“I would like to thank Legal & General for their support since they first invested in Cala. With their backing, Cala has successfully tripled the number of homes we build each year, whilst revenue and profits have grown five- and ten- fold respectively.

“Cala’s biggest strength is the talent and passion of our people, and I would like to thank our dedicated employees for continuing to deliver for the business and our customers. Cala is in a strong position to go forward, with new ownership and a platform to deliver our next stage of growth. We have talented teams in place across the business, and continue to invest in our land pipeline, to grow our delivery of high quality, sustainable new homes throughout the UK.”

Julian Salisbury, Co-Chief Investment Officer of Sixth Street, said:

“Cala has a bright future and we are proud to be entering this new chapter as stewards of a company with such a deep history and long track record of sustainable growth. We, together with Patron, look forward to continuing to support Cala and its management team, not only with capital but also with the significant resources of our London-based real estate investment team led by Giulio Passanisi.”

Keith Breslauer, Managing Director and founder of Patron Capital, said:

“We are pleased to be able to back the Cala business once again. Cala is one of the UK’s leading housebuilders with a best-in-class landbank and a focus on building high-quality homes, being consistently ranked five-star for customer service. Furthermore, Cala is also a people business with a

strong corporate culture and a business we know well, and we look forward to working closely with Cala’s impressive management team and our partner, Sixth Street, to further build the business and help tackle the undersupply of homes in the UK.”

António Simões, Group Chief Executive Officer of Legal & General said:

“This transaction demonstrates continued momentum in executing our strategy, simplifying our portfolio to enable a sharper focus on our core, synergistic businesses. Cala has been an important part of L&G for over a decade, with profits increasing ten-fold since our initial investment in 2013¹. The sale announced today will provide capital to deliver our strategic goals of sustainable growth alongside enhanced returns for shareholders. I’d like to thank the whole Cala team for their contribution to the Group and wish them every success in the future.”

- ENDS -

[Full information on this transaction.](#)

Advisors:

EY and Eastdil Secured served as financial advisors and Travers Smith and Simpson Thacher served as legal advisors to Sixth Street and Patron Capital.

Media Contacts:

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For Legal & General:

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¹ For the period 2013-2023.

Notes to Editor - About Cala:

- Cala Group is a major UK housebuilder focused on building well-designed, high quality homes in prime locations throughout the South of England, the Cotswolds and Scotland.
- Cala started as the City of Aberdeen Land Association in 1875 and was the first Scottish company listed on the London Stock Market.
- Cala Group employs over 1,300 people across 10 offices and has around 75 live developments at any time.
- Cala was awarded the maximum 5 Star rating in the Home Builders Federation's National New Homes Customer Satisfaction Survey 2024, for the seventh year running. The independent survey found that 93% of our customers would recommend Cala to a friend.
- In the year ending 31st December 2023 Cala Group sold 2,917 homes, resulting in a turnover of £1.3bn and profit before tax (before exceptional items and revaluations) of £112m.
- Cala is proud have Samaritans as its national charity partner. Cala's support will help to ensure that Samaritans can continue to be there for anyone who is struggling to cope. In turn, Samaritans provides training to help equip Cala's staff – as well as employees of its subcontractors – with the skills to take care of their own wellbeing and that of their colleagues.
- Cala has made a commitment to help fight the effects of climate change on the planet by:
 - Building homes that are operationally net zero carbon enabled before 2030.
 - Reaching net zero greenhouse gas emissions in line with the Scottish Government's 2045 target and ahead of UK Government's 2050 target.

About Sixth Street Partners:

Sixth Street is a global investment firm with over \$80 billion in assets under management and committed capital. The firm's dedicated London-based real estate team partners with property managers and institutional investors to acquire, finance, and provide servicing expertise across the global real estate sector. Sixth Street uses its long-term flexible capital, data-enabled capabilities, and One Team culture to develop themes and offer solutions to companies across all stages of growth. Founded in 2009, Sixth Street has more than 650 team members including over 200 investment professionals operating around the world. For more information, follow Sixth Street on social media and visit www.sixthstreet.com.

About Patron Capital:

Patron represents approximately €5.2 billion of capital raised across several funds and related co-investments, investing in property, corporate operating entities whose value is primarily supported by property assets and distressed debt and credit related businesses.

Since it was established in 1999, Patron has undertaken more than 200 transactions across 110 investments and programs involving over 9 million square metres in 17 countries, with many of these investments realised.

Investors represent a variety of sovereign wealth funds, prominent universities, major institutions, private foundations, and high net worth individuals located throughout North America, Europe, Asia and the Middle East. The main investment adviser to the Funds is Patron Capital Advisers LLP, which is based in London, and Patron has other offices across Europe including Barcelona and Luxembourg; the group is comprised of 61 people, including a 37-person investment team.

Further information about Patron Capital is available at www.patroncapital.com

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 £1.2 trillion in total assets under management (as at FY23) 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.

Legal & General in residential property

- Legal & General (L&G), is a leading direct investor, lender, developer and operator of residential property with a large and diverse residential platform. L&G's residential platform has over 20,000 units in operation or development across a range of tenures, and is growing at over 4,000 units a year.
- The Group's long-standing commitment to investing in and delivering housing reflects the opportunity to secure steady, inflation-linked returns whilst driving positive social impact within local communities. This year it launched further investment strategies in both the affordable housing and Build to Rent sectors with an expectation to grow each to £4bn by 2028.
- Focused growth of our residential property platform is a key tenet of L&G's private markets ambitions, catalysing its balance sheet investments by offering clients investment opportunities that aim to deliver compelling financial returns whilst tackling real-world challenges.