



SMART ESTATE INVESTS IN A BUILDING IN MONTREUIL

- ▶ The Smart Estate strategy (hereafter “Smart Estate”) grows its portfolio with a third investment in Bas-Montreuil (Paris region).
- ▶ The acquisition consists of an office building of more than 3’300 m² located in Bas-Montreuil in the East of Paris capitalizing on the inclusion of Porte de Montreuil in the New National Urban Renewal Program. The asset will be developed with low energy consumption levels (solar photovoltaic panels installations and vegetation on the roof to capture CO₂) and has been designed in accordance with a biophilic conception, integrating nature into design.
- ▶ This acquisition was completed by the Smart Estate and its local partner R(E)GREEN. Smart Estate is sponsored by the Edmond de Rothschild Group and its subsidiary, OROX Asset Management, which focus on new real estate trends in the major cities of the Euro zone and respond to the technological, demographic and environmental challenges within this sector.

A STRATEGIC INVESTMENT IN AN ATTRACTIVE CITY

The asset, acquired in future state of completion (“VEFA”), is currently under construction and will be delivered during the first quarter of 2021. It is located on 44 rue Armand Carrel, an attractive street, between Porte de Vincennes and Porte de Montreuil. This street has undergone several urban transformations welcoming numerous French and international companies from the private and public sectors. In a context of land scarcity and shortage of real estate stock (1.6% average vacancy rate), Bas-Montreuil has experienced an important demographic and economic transformation. This city is attractive to end-users thanks to its easy and efficient accessibility via the direct underground connections to central Paris and to its competitive rental levels compared to those of inner Paris.

The district capitalizes on the inclusion of Porte de Montreuil in the “New National Urban Renewal Program” (“NPNRU”). This program, which aims to strengthen links between Paris and its surrounding districts and promote soft mobility, will be an important vector for value creation for Smart Estate investment strategy.

VALUE CREATION THROUGH A NEW, CONNECTED, FORWARD-LOOKING AND ENVIRONMENTALLY FRIENDLY BUILDING

The energy performance of this asset will be optimized through the building's biophilic conception, in particular with the creation of green spaces in urban area and leisure terraces. In addition, the building will be labelled as "Excellent" according to the valuation method of environmental performance of buildings *BREEAM*. It will benefit from low energy consumption, solar photovoltaic panels installations and vegetation on the roof to capture CO2.

After several months of construction works, the building will be repositioned as a high quality and sustainable property that meets new real estate standards. Its efficiency will be optimal thanks to its flexibility of use and its high capacity, favoring new working methods, such as co-working and desk sharing. Finally, the building will offer digitalized services and first-class connectivity level to occupants. This investment thus meets the Smart Estate selection criteria in terms of forward-thinking, innovative, resilient and sustainable investment.

« We are very pleased to reinforce our real estate exposure in the Paris region, this time in East, in a district undergoing significant urban regeneration with very low vacancy rates on second hand, restructured and new buildings. This acquisition was completed thanks to a close collaboration with all stakeholders and local actors », indicate Caroline Demol, Investment Advisor of Orox Asset Management.

INTERVENANTS

Conseiller en Investissement : Orox Asset Management SA
 Partenaire local : R(E)GREEN
 Revue technique : Pierre Manuelle (PMA)
 Notaire : Frédéric Jouvion et Chloé Bruneau (14 Pyramides)
 Développement : Arpent Capital et Eternam
 Agent immobilier : ASI Real Estate

A PROPOS DE SMART ESTATE

The strategy is to primarily invest in real estate assets across continental Europe. It presents particular risks including capital loss risks, real estate market risks and volatility in these markets, and the risk of loss, liquidity, risks of environmental liability or relating to the selection of Investment.

A PROPOS DU GROUPE EDMOND DE ROTHSCHILD

As a conviction-driven investment house founded in the belief that wealth should be used to build world of tomorrow, Edmond de Rothschild specialises in Private Banking and Asset Management and serves an international clientele of families, entrepreneurs and institutional investors. The group is also active in Corporate Finance, Private Equity, Real Estate and Fund Services. Its resolutely family-run nature gives Edmond de Rothschild the independence necessary to propose bold strategies and long-term investments, rooted in the real economy.

Created in 1953, the Group now has CHF 169 billion in assets under management, 2,700 employees and 32 locations worldwide.

Smart Estate is one of the strategies proposed by Edmond de Rothschild Private Equity. Edmond de Rothschild Private Equity proposes more than 12 distinctive investment strategies in several geographies designed to create long term value to their clients.

À PROPOS DE LA PLATEFORME IMMOBILIERE EDMOND DE ROTHSCHILD

The real estate investment management platform Edmond de Rothschild operates via local operating companies, including Orox Asset Management in Switzerland, Cleaveland in France and Cording Real Estate Group in the United Kingdom, in Benelux and in Germany. It has more than 140 real estate professional in 11 offices (6 countries) and manages more than CHF 10 billion of real estate assets for separated discretionary accounts (as of 31.12.2018).

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