

**REGULATED – INSIDE INFORMATION**

Brussels, 04.11.2020, for immediate release after 5:40 PM CET

## Cofinimmo takes an important step forward in Germany

**Development of 8 innovative healthcare sites for 250 million EUR, let to Schönes Leben Gruppe  
Exclusive partnership with a local and experienced design and project management office**

Cofinimmo (Euronext Brussels: COFB) signed an agreement to acquire, under certain conditions, the companies that will develop 8 eco-friendly healthcare campuses in the Land of North Rhine-Westphalia (Germany). The total conventional value of this transaction will amount to approximately 250 million EUR. Works on the first project, in the city of Erfstadt, will begin before the end of the year. The other projects will start in the subsequent quarters. The 8 projects will have a total of about 1,100 units.

In addition, an exclusive cooperation was signed with the design and project management office responsible for projects design as well as work follow-up.

The future operator of the projects, the group Schönes Leben Gruppe, has developed its own residential care concept. In this integrated model, different complementary care services are provided to residents with very different care needs. Residents who live on campus receive a range of care services that evolves with their care dependency. Thanks to the excellent coordination and integration of these services, most residents can stay in their own home environment for a very long time. The campus often also provides residential care centres for these residents who can no longer be cared for through home or day care.



**Jean-Pierre Hanin, CEO of Cofinimmo:** *“This important transaction is perfectly in line with our strategic priorities in Europe in general and in Germany in particular. Moreover, with Schönes Leben Gruppe, we welcome a visionary new partner as operator. The development of healthcare campuses combining a diversified offer of healthcare services with a wide range of residences is a valuable new trend within the sector. The sustainability of the buildings guarantees a long life cycle in the current and future environment.”*

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## 1 The sites

All projects are located in North Rhine-Westphalia, a Land bordering Belgium and the Netherlands. With almost 18 million inhabitants on approximately 34,000 km<sup>2</sup>, it is the fourth largest Land in Germany in terms of surface area and the largest in terms of population. It is also the largest and most important economic region with a relatively high population density and a relatively high proportion of older age groups.

The 8 projects will offer a total of approximately 1,100 units. They are mostly located in prime residential areas of medium-sized cities with a favourable supply and demand situation. They are located near public transport and shops.

The design of these projects is based on a concept that offers a diversified range of services (assisted living, intensive care, day-care, nursing and care homes, etc.).

Works on a first project, in the city of Erfstadt, will start before the end of this year. The site has about 160 service flats with a surface area ranging from 45 to 120 m<sup>2</sup>, 24 outpatient care units for sheltered living groups and 21 day care units. It is equipped with numerous care and service facilities (café, restaurant, wellness, fitness, etc.). The complex will be completed at the end of 2022. Construction works on the other projects will start in the next quarters and the final buildings should be completed before the end of 2022.

Various sustainable techniques and materials, such as cogeneration, high-efficiency glazing and LED lighting, will be incorporated in all these projects. Façade and roof insulation as well as air-tightness are higher-performing than standard. Most projects also contain green roofs. All buildings are energy-efficient new constructions and fit within the KfW programme. This programme is managed by the German state-owned Bank for Reconstruction (in German: Kreditanstalt für Wiederaufbau, KfW), and has the overall aim of enhancing the energetic quality of the German building stock<sup>1</sup>. Therefore, the buildings are designed to achieve the 'KfW Effizienzhaus 40' standard. The total energy demand, and thus also the consumption and carbon emissions for these building will be 60% lower than the German reference buildings.

## 2 The transaction

Cofinimmo will acquire a participation in the capital of the companies that will develop the innovative healthcare sites. The payment of the shares will be staggered over time (from 2020 to 2022).

During the construction phase, local credits will be taken out by each of the companies. The intention is to keep the credits which fall within the framework of the KfW programme after work completion. Cofinimmo will only use its current or future credit lines to finance the acquisition of the share capital of the owner companies.

All projects will be let to the operator Schönes Leben Gruppe, with whom 'Dach und Fach'<sup>2</sup> lease contracts have been concluded with a term of 25 years. In addition, the maintenance costs of the sites, born by the owner, are covered by the developer through a time-limited guarantee, making the lease contract comparable to triple net lease for an initial period of time. Rents will be indexed on the basis of the German consumer price index. The gross rental yield will be approximately 4.5% and will not be affected by the integration of the platform.

<sup>1</sup> Source: Green Growth Knowledge Platform - Energy Efficiency Policies in Europe: KfW Programme – Germany.

<sup>2</sup> The owner primarily bears the maintenance costs for the roof and the structure of the building.

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**3 The tenant**

With Schönes Leben Gruppe, Cofinimmo has added a new high-quality operator. This group already operates 67 nursing and care homes, assisted living units or care clusters throughout Germany, accounting for 6,500 beds and more than 480 assisted living units. More than 35 additional locations are under construction or planned. The group has developed a new residential care concept, offering a wide range of services and care levels through different operational entities, ranging from traditional elderly care to highly specialised care. This overall concept enables the residents to stay as long as possible in a familiar environment, even in the event of changing living conditions. The ambition of Schönes Leben Gruppe is to become the most modern service provider for people over 65 in Germany and to design residential and care facilities for the future generation of elderly, based on current customer requirements.

**4 Exclusive partnership**

In addition, an exclusive partnership was concluded with the local design and project management office, which will develop the 8 projects. This office, which was founded in 2006, has already developed and sold 22 elderly living complexes with more than 3,500 units. Over the past 10 years, it has sold on average more than 250 nursing units annually. Next to its consultancy activity for the preparation and execution of construction projects, this office deals mainly with the preparation and technical support for the development of real estate properties and the coordination of construction works. Cofinimmo has the option of fully integrating the platform into its structure in due course. This is a potential growth engine for Cofinimmo's future success in Germany.

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**About Cofinimmo:**

Cofinimmo has been acquiring, developing and managing rental properties for over 35 years. The company has a portfolio spread across Belgium, France, the Netherlands, Germany and Spain, with a value of approximately 4.5 billion EUR. With attention to social developments, Cofinimmo has the mission of making high-quality care, living and working environments available to its partners-tenants, from which users benefit directly. *'Caring, Living and Working - Together in Real Estate'* is the expression of this mission. Thanks to its expertise, Cofinimmo has built up a healthcare real estate portfolio of approximately 2.6 billion EUR in Europe.

As an independent company that applies the highest standards of corporate governance and sustainability, Cofinimmo offers its tenants services and manages its portfolio through a team of over 130 employees in Brussels, Paris, Breda and Frankfurt.

Cofinimmo is listed on Euronext Brussels (BEL20) and benefits from the REIT system in Belgium (RREC), France (SIIC) and the Netherlands (FBI). Its activities are supervised by the Financial Services and Markets Authority (FSMA), the Belgian regulator.

On 30.10.2020, Cofinimmo's total market capitalisation stood at approximately 3.2 billion EUR. The company applies an investment policy aimed at offering a socially responsible, long-term, low-risk investment that generates a regular, predictable and growing dividend.



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

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