

PRESS RELEASE

Paris, 07/10/2020

PRIMONIAL REIM, IN'LI, PRO BTP and MIDI 2I ANNOUNCE LONG-TERM STRATEGIC PARTNERSHIP AGREEMENT TO DEVELOP INTERMEDIATE HOUSING IN THE HEART OF "GRAND PARIS"

Primonial REIM, a key player in real estate investment with over €22 billion of assets under management, is joining forces with **in'li** (the leading developer of intermediate housing in the Paris region and a subsidiary of the Action Logement group), **PRO BTP** (a group offering social protection for those working in the building and public works sector) and **MIDI 2i** (a real estate asset management and financial engineering firm) to set up a strategic partnership aimed at acquiring and developing intermediate housing in the most central areas of Grand Paris.

A LONG-TERM STRATEGIC PARTNERSHIP SPLIT INTO THREE PHASES...

The first phase has already been secured with the contract being signed on 30th September. It will involve acquiring a portfolio of 9 existing buildings comprising 330 housing units and 3 retail premises located at the very heart of Grand Paris (Paris 13th, Courbevoie, Montrouge and Sèvres) and covering a total surface area of around 23,000m².

The second phase will involve developing 5 buildings comprising intermediate housing units for modest-income households. These future assets will consist of 336 housing units covering a total surface area of around 20,000m². They will be located in central parts of fast-growing districts in towns like Le Vésinet, Puteaux and Asnières-sur-Seine within the Grand Paris region.

The last phase will be an extension of the partnership initiated in the first two phases between Primonial REIM, in'li, PRO BTP and MIDI 2i, and will aim to build on the intermediate housing portfolio, which Primonial REIM will manage, over the long term. in'li (responsible for project management assistance) will identify the housing units to be developed beforehand; they will be approved based on a series of acquisition criteria established by Primonial REIM (responsible for the asset and fund management aspects). in'li will be in charge of property management for the entire portfolio through its property administration subsidiary, in'li Property Management.

... TO HELP FILL THE HOUSING GAP AND IMPROVE HOUSING ACCESS FOR AS MANY PEOPLE AS POSSIBLE

Primonial REIM, in'li, PRO BTP and MIDI 2i are all growing rapidly, and this partnership will enable them to expand their positions within Grand Paris in areas offering the brightest opportunities. The Paris region is France's leading economic hub, with a population of 12.3 million, and Europe's biggest labour market¹. It is a hugely attractive catchment area and offers residential property investors a

¹ Source: CCI Paris Ile-de-France: <https://www.cci-paris-idf.fr/sites/default/files/crocis/wysiwyg/Chiffres.cl%C3%A9s-BD.pdf>

combination of favourable cyclical and structural factors that will continue over the coming years (metropolitanisation, significant rental demand, scarce supply, changing family structures).

There is a real social dimension to the partnership and a shared goal, which is to offer the Paris region's population access to traditional and affordable housing while supporting tenants through their residential pathways, possibly culminating eventually in home ownership.



Photo credits: Philippe MATSAS

Grégory FRAPET, Chairman of the Management Board of Primonial REIM: *"This partnership with in'li, PRO BTP and MIDI 2i reflects our commitment towards developing a supply of rental housing for the middle classes so as to improve access to housing for as many people as possible in highly attractive towns. Housing is of crucial importance, and Primonial REIM intends to take part in this long-term trend by continuing to expand in the residential real estate segment, which is a resilient asset class being driven by strong demand."*



Photo credits: Cyril BRUNEAU

Benoist APPARU, Chairman of the Board of Directors of in'li: *"This long-term partnership with Primonial REIM, PRO BTP and MIDI 2i will help to develop intermediate housing in the Paris region for the middle classes, who are finding it increasingly difficult to access decent accommodation in the region. The project is bringing in institutional investors and direct investors, so in'li will have the resources it needs to develop 80,000 new intermediate housing units within 10 years, an ambitious target the company set itself when it was first created."*



Credit photo : Tristan Paviot

Hervé NAERHUYSEN, Managing Director of PRO BTP: *"We are proud to work alongside Primonial REIM, in'li and MIDI 2i, three of the property market's key players. This contribution to the building sector forms part of our overall responsible finance strategy which aims to support the industry we serve, and it builds on our other investments in infrastructure and energy transition projects. There is a significant social dimension to this partnership, and we hope it will give other institutional investors an opportunity to steer their investments towards the housing sector, one that combines social benefit and yield."*



Jean-Luc BARTHET, Managing Director of MIDI 2i: *"We are delighted to announce this partnership with Primonial REIM, in'li and PRO BTP; the project involves more than simply investing in the housing sector. By participating in the project, we are offering a solution for the many people living in the Paris region who are increasingly struggling to find accommodation; and we are offering shareholders in the fund created for the purpose a social dimension to their investments. The project also reflects our determination to continue expanding in the housing sector, which is proving resilient in an otherwise uncertain economic climate."*

For the purposes of this partnership agreement, Primonial REIM and PRO BTP were advised by Fairway (law firm), SCP ALLEZ & ASSOCIES (solicitors), Denjean & Associés (for the accounting aspects), eRE (for the commercial aspects) and KPMG (for tax advice).

in'li was advised by Fidal (law firm) and Etude Cheuvreux (solicitors) for the purposes of this partnership agreement.

MIDI 2i, meanwhile, received legal advice from OCKHAM and partners.

About Primonial REIM

Primonial Real Estate Investment Management (Primonial REIM) is a portfolio management company that was authorised by the Autorité des Marchés Financiers (AMF) in 2011. Its purpose is to design and manage a range of investment vehicles that reflect its strong convictions about the real estate markets. Its aim is to make SCPI real-estate funds – investing in office, retail, healthcare/education and residential properties – available to the widest possible audience.

As a portfolio management company, Primonial REIM creates and manages real estate collective investment undertakings for institutional and retail investors. On 10th June 2014, Primonial REIM obtained AIFM (Alternative Investment Fund Manager) authorisation from the AMF, under which it is subject to increased obligations in areas such as reporting, liquidity monitoring and risk management. Its Management Board consists of Grégory Frapet, Chairman, Stéphanie Lacroix, Managing Director, and Tristan Mahaut, Secretary General.

Key figures at 30th June 2020:

€22 billion of assets under management // 45 investment funds // 70,170 unitholders // 4,392,387m² of real estate assets under management // 7,000 tenants // Assets covering 7 European countries

About in'li

in'li is a subsidiary of Action Logement and the Paris region's leading intermediate housing owner, with a portfolio of over 43,000 housing units spread across the whole region. in'li's purpose is to give middle class and young workers access to housing in order to create closer links between jobs and accommodation, encourage job mobility and boost regional economies.

For more information: inli.com

Twitter: [inli_officiel](https://twitter.com/inli_officiel) https://twitter.com/inli_officiel

LinkedIn: <https://www.linkedin.com/company/in-li/>

About Action Logement

Action Logement is a leading player in France's social and intermediate housing market, with a portfolio of over one million housing units. Its purpose for the past 60 years has been to help people access housing in order to boost employment. Action Logement jointly manages the Participation des Employeurs à l'Effort de Construction (PEEC), a social housing levy aimed at helping workers access housing, improving company performance and making regional areas more attractive. The group has a total workforce of 18,000 in France and France's overseas departments/regions.

About PRO BTP

PRO BTP offers healthcare, personal protection, insurance, savings, retirement and holiday solutions and is the leading provider of social protection for businesses, tradesmen, workers, apprentices and retirees from the building industry.

PRO BTP is a partnership, not a corporation. Its profits go to its members, primarily in the shape of improved guarantees and solidarity schemes. The Group has no shareholders to deliver returns to.

PRO BTP was set up to manage supplementary social protection benefits and is run by representatives of the industry's employers and workers. It is currently France's 8th-biggest health and personal protection insurer with 5,240 employees.

As an engaged and responsible company, the Group finances a large-scale social policy and invests in the energy transition and technological innovation through projects in the areas of prevention, healthcare, construction, insurance, etc.

PRO BTP builds on its commitment to solidarity with professionals in the construction industry primarily through its corporate social and environmental responsibility (CSR) policy.

The Group's purpose is to protect and serve those in the building and construction industry by preparing for their future needs.

About MIDI 2i

MIDI 2i was set up in 2005. It is a financial engineering and asset management company, and a subsidiary of the Caisse d'Épargne de Midi-Pyrénées. Its main purpose is to acquire, manage, add value and sell office and retail real estate assets owned by its dedicated funds.

It was certified as an independent portfolio management company by the Autorité des Marchés Financiers (AMF) on 25th November 2015. On 29th July 2019, it also received authorisation to diversify its activities, giving it the possibility to create SCPIs (real estate investment companies) catering to retail investors, conduct business in the eurozone and branch out into venture capital management. www.midi2i.fr

The company has around 420,000m² of assets under management owned by 15 property investment companies with investment capacity in excess of €1.6 billion.

www.midi2i.fr

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