

# NEWSFLASH

New acquisition in Brussels

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VENTURE REAL ESTATE  
FUND



Acquisition in Brussels, Place des Barricades

Greetings,

The wealth portfolio has just been enlarged with a new asset in Brussels. The building, for mixed use of housing and offices, is spread over 5 floors. The impressive building, the facade of which is listed in the inventory of the monumental heritage of Belgium, is in a neoclassical architectural style typical of the city center of Brussels.

With this new asset, the portfolio increases an ever more diversified offer for an optimal return.

## LOCATION

The building is ideally located on the well-known Place des Barricades, near the famous Madou Tower in the heart of downtown Brussels. It is located on the edge of the Central Business District (CBD) and at crossing of boulevard Bischoffsheim, on which the prestigious building "The Spectrum" recently emerged from the ground.

The Brussels office property market remains tight with a sustained demand facing a limited supply, particularly in the especially popular CBD. Indeed, this sector has a vacancy rate of 2.9 % and particularly high prime rental values of around € 315 per m<sup>2</sup> per year. Thus, under the effect of real estate pressure, neighboring areas, such as Place des Barricades, strengthen their postponement market position and attract tenants historically search for premises within the CBD.

## ASSET DESCRIPTION

Typology: offices/housing

Area: 1 897 m<sup>2</sup>

## CORE + STRATEGY

The acquisition of the building was carried out on the basis of several axes:

- **An upside of the rental level.** Given the proximity to the CBD and a tight real estate market, an upward revaluation of the building's rents of around 40% is being considered.

- **The «multimodal» characteristic of the building.** Currently for mixed use (offices and housing), the building is suitable for a change of destination: office or accommodation (subject to obtaining administrative authorizations). Thus, this flexibility of redevelopment in housing or in offices, smoothed out by fluctuations in the real estate markets, will make it possible to generate optimum capital gain during resale.

- **Managing the complexity of the operation.** The acquisition was made as a share deal, ie on shares in companies owning the building. A double financing system was implemented: a mortgage loan made it possible to refinance the company; and a corporate loan enabled the acquisition of shares in the company. This debt refinancing mechanism helped lower the interest rate for financing the operation.

**40%**  
increase of  
reevaluation rents

**Flexibility of  
redevelopment**  
in housing or  
offices

**Lower rate of  
interest**  
thanks to a  
mechanism  
refinancing debt



**Raphaël Delplanque**

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**François Hellmann**

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Any question about this new acquisition ?

Do not hesitate to contact us

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