

PRIMONIAL REIM ANNOUNCES THE SIGNATURE OF A SALE AND LEASEBACK DEAL IN WHICH IT WILL ACQUIRE 14 SENIOR RESIDENCES IN ITALY

Primonial REIM, on behalf of one of its funds, has agreed a sale and leaseback deal in which it will acquire a portfolio of 14 senior residences in Italy.

The properties are or will be fully let under “institutional” leases with long minimum terms, and will be operated by Zaffiro (13 residences) and Sarafin (1 residence), which are Italian private-sector operators in the senior care and assistance sector. The transfer of ownership over each property will take place as and when conditions precedent are met.

The properties are located across five regions in Northern Italy and will eventually include 2,083 beds and total floorspace of over 84,000 m². The portfolio will consist of 14 facilities, of which seven are currently in operation and the remaining seven are to be refurbished or redeveloped.

The Italian senior care market is a promising one, because it is estimated that it will have a shortfall of more than 80,000 beds¹ by 2025/2030. Demographic projections are also very favourable for this market, with the proportion of people aged over 80 in Italy set to double by 2050.

The Primonial group’s Italian division will manage this portfolio locally on behalf of Primonial REIM, which is strengthening its position as a major investor in healthcare real estate in Italy.

Gabriele Ritossa, Director and Partner of Zaffiro and owner of Sarafin, said: *“As a director and partner of the Zaffiro group and owner of the Sarafin group, I am delighted to have signed this agreement with Primonial REIM. It will enable Zaffiro to develop its business considerably. The figures are large, but within our industry we are mainly focused on the well-being of our residents. I have been managing this group for 30 years now and my greatest satisfaction comes from knowing that our expertise is recognised in the market. The agreement with Primonial REIM will enable the group to step up its growth plans, with the aim of having more than 5,000 beds in the next few years.”*

Grégory Frapet, Chairman of Primonial REIM’s Executive Board, added: *“We are very pleased to seal this agreement with Zaffiro and Sarafin, which shows Primonial REIM’s ambition to grow the real estate portfolio of one of its funds in Italy. The agreement also fits with our desire to support operators of healthcare establishments with their real estate development needs over the long term.”*

In this acquisition, Primonial REIM was advised by DLA Piper (Paolo Fopiani) regarding legal and tax aspects, and by REAAS on technical matters. It was assisted by eRE.

¹ Source: YCC, 2019

About Primonial REIM

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 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 CIUs for institutional and retail investors. On 10 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 Executive Board consists of Grégory FRAPET, Chairman, Stéphanie LACROIX, CEO and Tristan MAHAUT, Corporate Secretary. www.primonialreim.com

Key figures at 31st December 2018: 58 920 investors // € 17.2 billion assets under management // 3 817 380 m² of real estate assets managed // 7 000 tenant companies

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