



Real Estate Development



BESIX RED has been developing major urban projects for over 30 years. Its strategic vision has enabled it to diversify both in terms of sector – in the residential, office and retail and services markets – and geographically: Belgium, Luxembourg, France and, recently, the Netherlands and Portugal.

Keen to play its part in developing the city of tomorrow, BESIX RED relies on a team of superb talents. Architects, engineers and contractors serve its customers' specific interests with developments that meet demanding criteria like architectural and technical quality and optimal occupant comfort.

With a concern to create sustainable buildings that reflect its customers' needs, societal and ecological components, as well as innovation, form an integral part of its effort to conceive the real estate of tomorrow.

REAL ESTATE DEVELOPMENT

BUSINESS REVIEW

GABRIEL UZGEN

Managing Director BESIX RED

“The strong and continuous growth of our real estate development activity demonstrates the effectiveness of our strategy of sectoral diversification and international development. Our excellent 2017 results, attributable to the expertise of our teams, reinforce our position as a major player on the Belgian and Luxembourg markets.”

Innovation will be one of the pillars of our growth strategy in 2018. Not innovating for innovation’s sake, but innovation that makes a difference for our customers in the various sectors we cover: Office, Residential and Shops & Services.”

Belgian anchoring and European expansion

Historically specialized in residential building, BESIX RED now has a balanced portfolio of projects with around 40% of turnover in non-residential. In 2017, it worked on 20 projects totalling around 500,000 m² in 13 cities.

As part of its Europe-wide growth policy, BESIX RED has also become a reference player in the Grand Duchy of Luxembourg, with seven projects under way in the office and residential markets. Already active in France, it is today confirming its expertise and added value with a first project in the Netherlands, the iconic Sluishuis residential complex in Amsterdam. BESIX RED is keen to expand its activities in three other Dutch cities: Rotterdam, The Hague and Utrecht.

In 2017, BESIX RED also entered the Portuguese market, acquiring a site in Lisbon to build 43,000 m² of offices and residential space for an internationally reputed client.

This geographical and sectoral diversification allows BESIX RED to reduce its exposure to market cyclicity while taking calculated

risks. It is also partnering with local reference players in order to penetrate markets faster. This applies, for example, to certain projects in Luxembourg (Félix Giorgetti, Soludec), France (Rabot Dutilleul) and Lisbon (a French investment group).

In the office market, BESIX RED seeks to offer its customers office environments that make for successful business activity. Well-known groups are being persuaded to entrust it with their head office buildings. These include:

- **Kons (Luxembourg):** 15,000 m² for the ING banking group
- **Casa Ferrero (Luxembourg):** 30,000 m² for the Ferrero agro-food group
- **Parque Oriente (Lisbon, Portugal):** 43,000 m² for an internationally-known French company

A dynamic Belgian market

2017 was a positive year for the Belgian residential market. New apartment sales were buoyant despite a small rise in the average price (slightly above inflation), due to mort-



gage interest rates remaining at historically low levels. As in previous years, private investors and buyer-occupiers shared the market relatively equitably (60-40).

A slight rise in interest rates is expected for 2018, but not enough to discourage future buyers. The fact is, however, that the market remains hard to access for the youngest buyers because of the high equity contribution banks are requiring before giving loans.

2017 also saw a continuing clean-up of the office market with a decrease in vacant space. In Brussels, this applied in particular in the CBD (Central Business District) and the Leopold district. The clean-up of the Brussels periphery market comes mainly from the conversion of empty office buildings into housing. In Brussels, this phenomenon is more marked in the ‘second ring’ districts, where many apartment buildings have replaced neglected offices.

If the real estate market is mainly focused on Brussels, we are seeing the same trends in Flanders and Wallonia.



Innovation

BESIX RED places itself in a category apart by the particular attention it pays to the urbanistic quality of its projects. These are conceived to integrate perfectly into their environments and meet the needs of future inhabitants and users. Innovation will be crucial in the coming years in response to new trends such as co-living. An ‘Innovation’ unit was created in 2017 to reflect on new concepts and on the integration of IOT (Internet of Things) into new real estate projects: digital door locking, smart mailboxes, collaboration with products from Google (Nest), etc.

Acquisitions

BESIX RED’s most recent acquisitions fit perfectly with its growth strategy aimed both at increasing its activities in dynamic metropolitan markets and at developing large-scale projects that integrate harmoniously into the urban landscape. In 2017, BESIX RED acquired new sites in Belgium and abroad, giving it a total of 247,000 m² to develop in the coming years.

Prospects

Thanks to sustained and sustainable growth, and with a diversified portfolio of projects and an innovation-based strategy, BESIX RED is confident about its future development.

It is targeting the office market in France and the residential and office sector in Portugal and the Grand Duchy of Luxembourg.

It is also paying close attention to opportunities in strong markets like Germany and the Scandinavian countries. BESIX RED is targeting individual cities rather than specific countries because it sees urban socio-economic dynamism as a stepping stone to making an international name for itself.





Les Promenades d'Uccle Belgium

Interview

A NEW RESIDENTIAL DISTRICT WITH A CHARM ALL OF ITS OWN





Left to right:
DIDIER HEYMANS, Director of the Urban Planning Department, Municipality of Uccle
LAURENT GRAAS, Deputy Director of Development BESIX RED
MARC COOLS, First Alderman of the municipality of Uccle



In south-west Brussels, the Promenades d'Uccle housing project is starting to rise out of the ground. Spread over four phases, this project for 238 apartments and 60 houses will welcome some 800 inhabitants to what will be a new and privileged neighbourhood for lovers of nature. The project is located on the edge of a Natura 2000 nature reserve, and offers a magnificent view over the west of the Brussels Region from the Engeland Plateau.

The Promenades d'Uccle site is exceptionally large for the Brussels Region: extending over a 11.5 hectares, of which 6.4 ha are zoned for building. This is a whole new residential district which is coming into being at the initiative of BESIX RED, in partnership with Belgian promoter MATEXI. The first phase started in 2017, with the first building expected to be delivered in the second half of 2018.

Trees and gardens

The project gives pride of place to nature. In addition to the 4.37 ha 'Green Zone with High Biological Value' of 4.37 ha that will be transferred to the Region and two other wooded plots that will be transferred to the municipality, Les Promenades d'Uccle are spread around a central square that exudes a remarkable charm and which has become the symbol of the project. Gardens, terraces, green roofs and pedestrian paths will reinforce the sense of spaciousness. An ideal place for families and those who love quiet and nature.

Les Promenades d'Uccle are also a good example of team perseverance: the project started in 2002 and will last until 2024! "When I joined BESIX RED as Project Manager, this is the first project I worked on," recalls **Laurent Graas**, who is currently overseeing the project as **Deputy Director of Development**. "We were confronted with numerous and lengthy administrative and legal recourses because the site neighbours were initially completely closed to dialogue and opposed to any construction project. Today, tensions have fortunately eased."

Bringing solutions

"We are very proud of this project which is a first for Uccle in terms of rainwater management," says **Marc Cools**, **First Alderman**, whose responsibilities include Urban Planning, Environment and Housing. "Thanks to a system of individual cisterns (to supply the toilets) and private infiltration storm basins for each building, and a lagoon system to collect any surpluses, we will avoid any rainwater run-offs towards neighbourhoods downhill from the plateau."

DIDIER HEYMANS

Director of the Urban Planning Department at the Municipality of Uccle

"Throughout these years and despite the difficulties, we have always had an open dialogue with the project team."

238
apartments

60
houses

42,000 m²
of living space



Instead of increasing the risk of flooding, which was a major concern of inhabitants, the project should instead reduce this risk and have a positive impact! Another first for us is the social mix in a project of this type. The plans include 40 subsidized housing units to allow young households to gain access to the property market.”

Listening to each other

“The constructive dialogue with the authorities, especially with the Uccle municipality, was a decisive factor in obtaining the permits,” **Laurent** says. “After the municipal consultation committee rejected the first version of the project in 2003, we reintroduced our application, taking into account the committee’s remarks. In particular, we reduced the density of the project, which initially consisted of 401 dwellings. In this way we obtained a favourable opinion.”

“Nevertheless, the local Uccle inhabitants were so concerned at the effect in terms of mobility and hydrology that all together we requested and got the Brussels government to impose an impact study,” says **Didier Heymans, Director of the Urban Planning Department of the Municipality of Uccle**. “The following of the recommendations of this 1,300-page study, released in 2005, strengthened the file. Throughout these years and despite the difficulties, we have always had an open dialogue with the project team.”

It was only in February 2011 that the ‘permis de lotir’, allowing the site to be divided into individual building lots, was issued, once issues around the opening of new roads and rehabilitating existing ones had been settled. After that, planning and environmental permits had to be obtained for laying the roads and building the 18 houses and 76 apartments of the first phase. The final permit was obtained in October 2017.

“Working in phases is very useful, especially in a project that is staggered over time. In this way we are able to adapt subsequent phases to market needs. For example, we will be slightly reducing the size of the houses in phase 2 compared to those of phase 1 in order to be able to offer more competitive prices that are more affordable to today’s buyers,” **Laurent** tells us.



Our employees

LAURENT GRAAS

BELGIAN // AGE 51

A lawyer by training, Laurent has always worked in real estate. Joining BESIX RED in 2001 as Project Manager, he is now Deputy Director of Development. Laurent enjoys the diversity of his profession, each project being a unique adventure serving our customers, like an orchestra conductor tasked with getting various talents – architects, engineers, entrepreneurs, and others – all playing together from the same score.

Project Details

LES PROMENADES D'UCCLE
BRUSSELS (UCCLE), BELGIUM

Client
Retail sales

Project owner
Engeland Development
(partnership between BESIX RED and Matexi)

Architects
Espace Architectes and A2RC;
Landscape architect: JNC International

Stakeholder
Entreprises Jacques Delens

Project Value
€19 million

Period
2002 to 2024



SOHO-Luxembourg
Grand Duchy of Luxembourg

Interview

**A QUIET
URBAN HAVEN**





GEOFFROY BERTRAND
Director Luxembourg, BESIX RED

“One challenge was to increase the dwelling density while maintaining a calm living space. The housing block meets these requirements.”



In Luxembourg-City, BESIX RED is helping revitalize the station area by transforming a large urban block in a way that will have a major impact on the surrounding area. The attractiveness of the project for both investors and occupants is confirmed by the fact that nearly all units have already been sold off-plan.

Soho is a project focused on local neighbourhood life with, as its name evokes, the desire to bring renewal. It consists of four residential buildings with ground floor shops (including a supermarket and a bookstore) and a small number of offices. It is being carried out in three phases, with deliveries phased between 2019 and 2020.

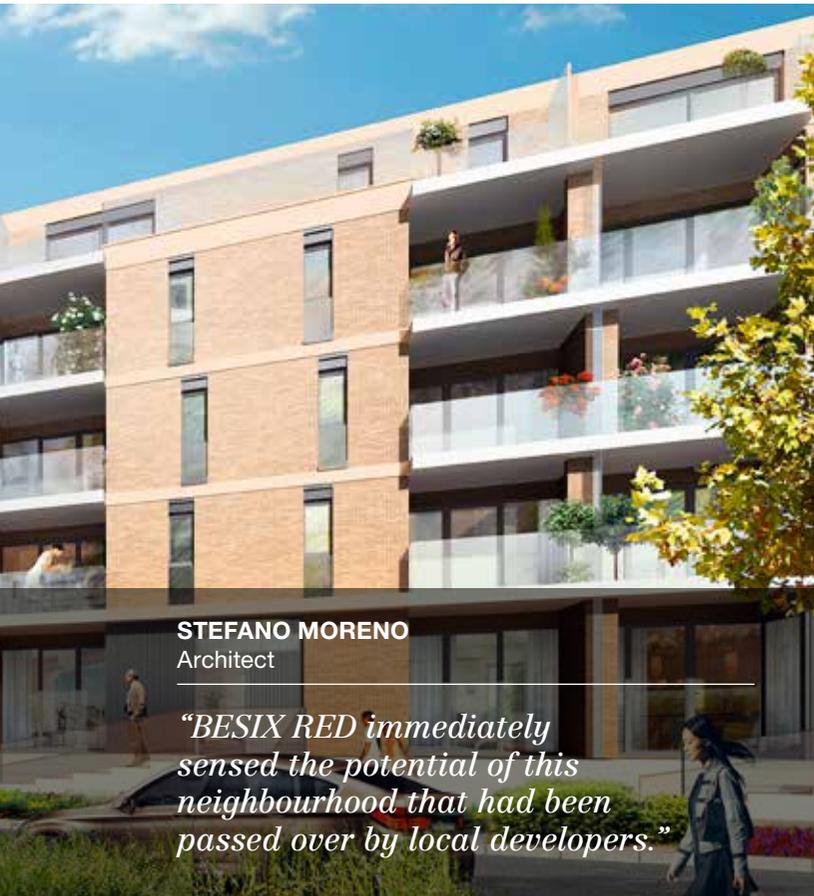
Partnering with a local player helps in positioning oneself in this market. “For each project, we try to identify top class local co-developers to partner up with. In this way, we can match up everyone’s expertise and develop high-quality projects, both architecturally and technically”, explains **Geoffroy Bertand, Director Luxembourg BESIX RED**. In the case of Soho, this partner is Soludec, which is also taking part in the construction work, in partnership with two BESIX subsidiaries, Lux TP and Wust.

“BESIX RED immediately sensed the potential of this neighbourhood that had been passed over by

local developers,” says **Stefano Moreno, one of the two architects** of the project who had previously conducted a feasibility study and sought to have the authorities zone the site for housing under a Special Development Plan.

“Luxembourgers prefer quiet neighbourhoods like Belair or Merl. This being said, the station area is extremely well located in terms of mobility and facilities (schools, etc.). Very central, it also adjoins other sought-after neighbourhoods, which offers a very good potential for added value,” adds **Geoffroy Bertrand**.

“We were quickly on the same wavelength for developing the site. The target group was clear to everyone: young families and urban expatriates who love movement, going out at night, doing their shopping on foot, living in a big cosmopolitan city. Our common vision was also to build quality buildings that will maintain our companies’ visibility and reputation in the long-term.”



STEFANO MORENO
Architect

“BESIX RED immediately sensed the potential of this neighbourhood that had been passed over by local developers.”

In style!

Each building will have its own style while maintaining a certain consistency with the other three (dimensions, balconies/terraces, green roofs, energy certification ...), in order to integrate perfectly into an urban fabric with varied architectures.

“One challenge was to increase the dwelling density (150 dwelling units) while maintaining a calm living space. The site meets these requirements: inside it, we have planned green spaces and very low speed traffic in an almost private street, offering residents a haven of peace and quiet in the city. It is a very unusual product in Luxembourg, a one-off,” **Geoffroy** says.

“I welcome BESIX RED’s conviction of the importance of offering architecture and quality materials that will stand the test of time,” **Stefano Moreno** continues. “For example, we have used brick and fibre to texture the façades instead of the unsightly white plaster that is commonly used in Luxembourg and ages badly. A plant wall between two buildings is another feature that will give a particular cachet to the site. I for one am delighted with this first collaboration with BESIX RED.”

A growing reputation

Reinvigorated since 2013, BESIX RED’s presence in Luxembourg is supported by 7 projects, all at different stages, from land acquisition to delivery. Locally, Geoffroy Bertrand’s team, currently composed of 5 people, plans to expand in 2018 in line with the growth of projects.



Our people

GEOFFROY BERTRAND

BELGIAN // AGE 43

Coming from Luxembourg’s real estate world, Geoffroy joined the BESIX RED team in 2015, where he now holds the position of Director Luxembourg. Since 2013, Luxembourg has been an important part of BESIX RED’s growth strategy.

More than half of its income currently comes from this country. Its partnering policy and the reputation it has forged with projects like Kons and Soho have enabled BESIX RED to position itself as a major player in the Grand Duchy.

Project Details

SOHO

LUXEMBOURG-CITY, GRAND DUCHY OF LUXEMBOURG

Client

Retail owners

Project owner

BSD Development
(partnership between BESIX RED and Soludec)

Architects

Architectes Moreno and M3 Architectes

Stakeholders

BESIX RED (LUX TP, WUST), SOLUDEDEC

Contract Value

€102 million

Period

2014 (purchase of the land)
to 2020 (delivery of the 3rd phase)