



ARA Europe completes the acquisition of three fully-let urban logistics assets in France

United Kingdom, 6th November 2023 - Real estate investment manager, ARA Europe, part of the ESR Group, has completed the acquisition of three urban logistics assets in France on behalf of its flagship discretionary value-add Active Fund series. The properties acquired are all fully let and located in France's main logistics corridor.

The three assets comprising 35,000 m² of area are located in the Yvelines region of the Île-de-France (Épône) and in the Provence-Alpes-Côte d'Azur region (Avignon and Cavaillon). The assets benefit from excellent connections to major motorways (A13 and A7) and are located in established logistics areas. The purchase brings the total gross asset value committed by ARA Europe Active Real Estate Fund V ("the Fund") to the Industrial and Logistics sector in UK, France and Ireland to €150 million. ARA Europe's portfolio of logistics properties in France, acquired through its various funds, now comprise a dozen buildings totalling more than 250,000 m². The business plan for the assets will include light renovations and adding floor area via extensions to enhance asset values. ARA Europe will obtain environmental certifications such as BREEAM to enhance the attractiveness of the portfolio at exit.

Quentin Kerrault, Head of Investment at ARA Europe, commented,

"Last mile, urban logistics is a core investment theme for us. With this investment, we are further strengthening our position in France. Rising interest rates have led to a welcome repricing, even though the fundamentals of the sector remain solid with e-commerce rates and rents in France lagging those of the UK. We intend to add to our logistics portfolio and are actively looking for further deals in our core markets."

For this acquisition, ARA Europe was advised by Atmos Capital, the notary firm Le Breton, the law firm Mayer Brown, Racine for tax matters and Etyo for technical matters.

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About ARA Europe

ARA Europe is a real estate investment manager, a subsidiary of ARA Asset Management Limited (“ARA”) which is part of the ESR Group (the “Group”), APAC’s largest real asset manager powered by the New Economy and the third largest listed real estate investment manager globally. With approximately US\$150 billion in total assets under management (AUM), our fully integrated development and investment management platform extends across key APAC markets, including China, Japan, South Korea, Australia, Singapore, India, New Zealand and Southeast Asia, representing over 95% of GDP in APAC, and also includes an expanding presence in Europe and the U.S. We provide a diverse range of real asset investment solutions and New Economy real estate development opportunities across our private funds business, which allow capital partners and customers to capitalise on the most significant secular trends in APAC. ESR is the largest sponsor and manager of REITs in APAC with a total AUM of approximately US\$45 billion. Our purpose – Space and Investment Solutions for a Sustainable Future – drives us to manage sustainably and impactfully and we consider the environment and the communities in which we operate as key stakeholders of our business. Listed on the Main Board of The Stock Exchange of Hong Kong, ESR is a constituent of the FTSE Global Equity Index Series (Large Cap), Hang Seng Composite Index and MSCI Hong Kong Index. For more information on ESR, please visit www.esr.com