

Intervest Offices & Warehouses takes the next step in the Genk Green Logistics project

Signing of a private purchase agreement for zone B of the former Ford site in Genk with a view to redevelopment into a logistics project of approximately 250.000 m²

Today the Flemish Authorities and Genk Green Logistics have taken an important step in the planned redevelopment of zone B on the former Ford site in Genk into a prime, trimodal logistics location. Represented by Flemish Minister for Work and Economy, Philippe Muyters, and Vice-Minister-President Liesbeth Homans on the public end of the deal, a private purchase agreement has been concluded with Genk Green Logistics for the sale of approximately 42 hectares of land.

Genk Green Logistics, a joint venture of Intervest Offices & Warehouses (hereinafter "Intervest") and Group Machiels will work together with MG Real Estate and DEME Environmental Contractors on this project to realise a state-of-the-art logistics complex, which, after its complete development over several years, will comprise over 250.000 m².

The project

The former Ford site consists of three separately issued zones: A, B and C. Under the direction of the Vlaamse Waterweg, a public domain with common functions will be built in zone A and water-related logistics activities will be developed in zone C, including a new container terminal with a capacity of more than 130.000 containers per year. Zone B is focused on logistics with added value, which is why Genk Green Logistics will be developed into a uniquely flexible, large-scale, multimodal and sustainable project.



Artist's impression of the logistics complex to be developed

“The major advantages of the project are its large scale, the multi-modality and the sustainable character, which makes the complete development in combination with the common infrastructure of zone A unique to the wider region.”

JEAN-PAUL SOLS - CEO

“Group Machiels is a global player with roots in Limburg. That is why this project has special significance for us. The experience and international expertise Group Machiels has built up since it was founded 77 years ago is a major asset for the redevelopment of this large-scale project and for attracting international companies.”

LOUIS MACHIELS - CEO

The new logistics building complex to be developed by Genk Green Logistics will be a reference project for sustainability and spatial quality. Genk Green Logistics stands for a forward-looking development plan with a clear commercial focus on e-commerce.

To this end, Genk Green Logistics expects to be able to attract a wide range of users to the site. Retailers who are looking for solutions for their e-commerce activities and e-fulfilment service providers as well as classic 3PL organisations or even the smart manufacturing industry can after all be accommodated in the logistics complex.

The commercialisation of the new build development in zone B has already been started. Although the Vlaamse Waterweg will still be carrying out demolition, remediation and infrastructure works in zone A in the first few years, new developments in large parts of zone B can already be started at the same time that the remediation works are going on. Genk Green Logistics expects to have the first building operational in 2020, with the total realisation of the project still taking over an additional 5 years after this. Depending on the precise outcome, the final investment value of the project will vary between € 120 and € 150 million.

Expertise

The authorities have opted for Genk Green Logistics due to the pooling of expertise in the investment, development and remediation of large-scale industrial sites. The partners in and of Genk Green Logistics, namely Intervest, Machiels Group, MG Real Estate and DEME Environmental Contractors, therefore also aim to develop the project in cooperation with all stakeholders into a total concept that will strengthen the wider region.

“Two years after the start we are ready for the last major chapter of the Ford Genk Master Plan. With the choice of Genk Green Logistics as developer for the B zone, the former Ford site is becoming a top logistics location and we will successfully fulfil our ambition to create no fewer than 1.500 jobs on this part of the property. Last year’s figures for job-seekers show that Limburg has made up for lost ground, and in this respect this last step in the redevelopment of Ford Genk is a nice finishing touch.”

FLEMISH MINISTER FOR WORK AND ECONOMY PHILIPPE MUYTERS

Next steps

The execution of the authentic deed for the purchase of the land is planned for the third quarter of 2018. At that time, the site purchase price of € 3 million for the land will be paid. In the course of 2019 and 2020, Genk Green Logistics will pay its contribution to the demolition, remediation and infrastructure works in phases, based on the progress of the works, for a total amount of approximately € 12 million.

More detailed information in terms of project financing, the yields and other preconditions will be communicated systematically as the different development and construction phases of the project progress.

Status of Genk Green Logistics

Genk Green Logistics - the joint venture company to be set up with Intervest and Group Machiels as shareholders - will be structured as an institutional regulated real estate company (iRREC).

The application for a licence from Genk Green Logistics as an iRREC will be submitted soon to the FSMA so that the status can be obtained before the execution of the authentic deed.

To a significant extent, the status of an iRREC is similar to that of a public RREC, and the iRREC is able to benefit from the same special tax regime (as opposed to an “ordinary” perimeter company of a public RREC).

The rules in force for public RRECs apply mutatis mutandis to the iRREC in principle. The annual accounts are also drawn up in accordance with IFRS standards, and Genk Green Logistics will (via Intervest) also be subject to FSMA oversight. Some differences with the public RREC include, among others, (i) no mandatory stock exchange listing, (ii) the shares must be registered under the name of and held by eligible investors and (iii) no diversification or debt ratio requirements at the statutory level of the iRREC (however, there are requirements at the consolidated level of the public RREC).

About Group Machiels

The non-residential real estate activities of Group Machiels mainly include the rental and operation of own non-residential property in, among others, the healthcare and petrochemical sector, and the development of turnkey projects for logistics companies and other industrial partners.

Intervest Offices & Warehouses nv, (hereinafter Intervest), is a public regulated real estate company (RREC) founded in 1996 of which the shares are listed on Euronext Brussels (INTO) as from 1999. Intervest invests in high-quality Belgian office buildings and logistics properties that are leased to first-class tenants. The properties in which Intervest invests, consist primarily of up-to-date buildings that are strategically located in the city centre and outside municipal centres. The offices of the real estate portfolio are situated on the Antwerp - Mechelen - Brussels axis; the logistics properties on the Antwerp - Brussels - Nivelles and Antwerp -Limburg - Liège axis with further extensions in Belgium, the Netherlands and towards Germany. Intervest distinguishes itself when leasing space by offering more than square metres only. The company goes *beyond real estate* by offering ‘turnkey solutions’ (a tailor-made global solution for and with the customer), extensive services provisioning, co-working and serviced offices.

For more information, please contact:

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