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Valor completes €105 million loan with pbb secured against six-asset last mile Paris & Lyon portfolio

Valor Real Estate Partners (“Valor”), Europe’s fastest growing last-mile real estate specialist, has completed a €105 million debt facility with pbb Deutsche Pfandbriefbank AG (“pbb”). The 5-year, c. 60% LTV facility comprises a €54 million acquisition tranche, €41 million investment tranche and €10 million VAT tranche. It represents the third transaction between the two parties and the second in France.

The loan is secured against six urban, infill logistics properties totalling c. 84,100 sqm, all located in supply constrained Paris and Lyon submarkets:

- A 17,824 sqm warehouse in Trappes, Paris, where Valor is undertaking a refurbishment programme to deliver modern, high-specification warehouse space, due to complete in Q4 2023 and adaptable to the needs of businesses across the e-commerce, logistics, transport and light manufacturing sectors. Located 30km south-west of Paris, the location offers excellent connectivity via the N10 arterial road and is close to the A86 (Paris 2nd ring road) and N12 (Paris-Western France motorway).
- A 33,144 sqm warehouse, also in Trappes, fully let to Natures et Découvertes
- In Garges, Paris, a 14,134 sqm unit which Valor plans to fully refurbish to deliver high-specification distribution space suitable for occupiers in the e-commerce and logistics sectors. Located 10km from the 1st Paris ring-road, it offers excellent connectivity to the national road network via the nearby A1 and A86. The submarket is dominated by obsolete, family-owned warehouses, with an undersupply of institutional grade space.
- A 2-hectare site in the A86 Paris submarket of La Courneuve, where Valor intends to bring forward the speculative redevelopment of a 10,166 sq m modern urban distribution park, suited to the needs of modern e-commerce and logistics businesses. The submarket is set to directly benefit from the “Grand Paris” infrastructure projects as well as major urban environment improvements ahead of the 2024 Paris Olympics Games.
- In Limeil, south-east Paris, Valor is developing a 3,960 sqm modern urban distribution warehouse, which is expected to complete in December 2023. It is located in a highly sought-after submarket which is characterised by a shortage of high specification product, 5km from the A86, and 14km from Paris 1st ring road.
- A vacant 4,800 sqm logistics warehouse in the east Lyon submarket of Chassieu. Valor intends to undertake a full refurbishment, due to complete in June 2023, to deliver a highly functional cross-dock asset suitable for 3PL and last-mile operators. Chassieu is part of the “Zone Industrielle Mi Plaine”, a key contributor to Lyon’s economy which is home to c. 1,200 companies employing c.

22,000. Chassieu is ideally located for cross-border logistics, just 17 km from the A7 (Lyon-Marseille motorway) and 11 km from Lyon Saint Exupéry airport.

Miles Muthu, Valor Debt Capital Markets and Transaction Lead, commented: "We are pleased to have completed on this complex portfolio financing involving the repositioning of multiple assets across different submarkets and at different stages of our development and asset management programme. We are grateful to the pbb team who undertook detailed analysis to understand each deal and were a trusted partner to see the transaction through in an uncertain market."

Matthew Phillips, Partner and Head of Finance & Operations at Valor, commented: "pbb is one of our trusted institutional lending partners and we are pleased to continue the relationship with their support in this transaction on well-positioned assets in the heart of Paris and Lyon. We believe our ability to source urban logistics investments in the most supply constrained submarkets of Europe's dominant urban centres where we can add real value by our asset management initiatives gives us a competitive advantage in the current high volatility environment."

Norbert Müller, Head of RE Finance Continental Europe West at pbb Deutsche Pfandbriefbank, commented: "We have a long-standing relationship with Valor and are very pleased to support them repositioning the different assets of this urban logistic portfolio in France. France is an important market for pbb and we are looking forward to other transactions with Valor."

Valor was advised by Simmons & Simmons LLP and Oudot & associés notaires. pbb was advised by LPA-CGR avocats and 83 Haussmann notaires.

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About Valor REP

Valor Real Estate Partners LLP ("Valor") is a pan-European industrial platform, headquartered in London, focused on urban/infill industrial and logistics properties in the UK, France, Germany, Benelux, Spain and Italy.

Founded in 2016, Valor is a full-service development management and investment business with offices in London, Paris, Berlin and Munich. Today the Company manages a 150+ asset portfolio totalling more than ten million sq ft and c €3bn of AUM on behalf of a number of global investors.

For further information please email enquiries@valorrep.com or visit <http://www.valorrep.com/>