

PRESS RELEASE

*Free translation, the Dutch version prevails*

REGULATED INFORMATION

10 January 2018

After trading hours – Under embargo until 17h45

Inside information

## CARE PROPERTY INVEST

Public limited liability company (société anonyme/naamloze vennootschap),  
Public Regulated Real Estate Company (Société Immobilière Réglementée (SIR) /  
Gereguleerde Vastgoedvennootschap (GVV)) under Belgian Law  
Registered Office: 3 Horstebaan, 2900 Schoten  
Companies Registration No. 0456.378.070 (LPR Antwerp)  
(the "Company")

### AWARD OF A PUBLIC CONTRACT FOR THE DEVELOPMENT OF A GROUP OF ASSISTED LIVING APARTMENTS IN MIDDELKERKE

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Schoten, Belgium – 10 January 2018

On 5 December 2017, the social welfare board of Middelkerke has awarded the public contract regarding the design, construction and financing of the group of assisted living apartments 'Assistentiewoningen Welzijnshuis' in Middelkerke to Care Property Invest. After expiry of the legal waiting period, on 10 January 2018, the Company received the notification that the contract, based on the provisions in the specifications for 'DBF Assistentiewoningen Welzijnshuis' dated 29 June 2017, had been concluded.

Care Property Invest responded to this public tender together with Boeckx Architects nv and the joint venture Ibens nv/Bolckmans nv and will act as developer and financier for this project. This group of assisted living apartments will consist of 60 living units, as described in the specifications by the PCSW (OCMW/CPAS) of Middelkerke.

The Company will obtain a right of superficies on the land from the owner of the land, the PCSW (OCMW/CPAS) of Middelkerke, for a term of 32 years. After the finalisation of the design, an environmental permit will be applied for. The Construction Team foresees that the works for this project would start in 2018. At the provisional acceptance of the group of assisted living apartments (scheduled for the first semester of 2020), Care Property Invest will, in turn, grant a leasehold of 27 years to the PCSW (OCMW/CPAS) of Middelkerke.

After the provisional acceptance, 'Assistentiewoningen Welzijnshuis' will be operated by the PCSW (OCMW/CPAS) of Middelkerke. With a residential care campus comprising 48 assisted living apartments, a residential care centre, a local services centre and a day care centre all on the same site, it has already acquired a solid dose of experience and knowledge concerning the operation of residential care facilities. The structure of this project ties in with the activities and expertise developed by the Company under its initial investment programme.

The estimated investment value for the construction of this group of assisted living apartments amounts to approximately €8.2 million.

**Quote Peter Van Heukelom, CEO of Care Property Invest:**

*"Assistentiewoningen Welzijnshuis' is the 1st development added to Care Property Invest's portfolio this financial year and has a structure that is similar to the one used for the projects under the initial investment programme. The project is financed by using the proceeds resulting from our capital increase of October 2017.*

*With this award, Care Property Invest will have invested no less than 143.5% of the raised capital. Furthermore, Care Property Invest is delighted to include a new financial lease in its portfolio as this contributes to a stable income stream. This group of assisted living apartments brings the number of care projects in our real estate portfolio to a total of 93*



**The operational management**

This group of assisted living apartments will be operated by the PCSW (OCMW/CPAS) of Middelkerke by means of a long-term lease agreement of the 'triple net' type with a ground rent indexable on an annual basis.

The PCSW (OCMW/CPAS) of Middelkerke has already built up quite some experience as an operator of a group of assisted living apartments with 48 residential units ('Residentie De Stille Meers'). This group of assisted living apartments is a part of a larger care site, where different care facilities, all owned by the PCSW (OCMW/CPAS), are located in order to make the care experience as complete as possible. To this end, a well-being centre, a residential care centre, a local services centre (multi-purpose hall with a restaurant and a cafeteria) and a day care centre have also been implanted on the premises.

**The property**

'Assistentiewoningen Welzijnshuis' will be built in the city-centre of Middelkerke. Therefore the project will be located near several shops, banks, supermarkets and catering establishments. The new development is located just a stone's throw away from the beach. And not just any beach. Middelkerke is not only the proud owner of the longest stretch of beach of the Belgian Coastline, but also boasts the highest amount of sunshine hours. Sports enthusiasts have the choice of discovering the coastline on foot or making beautiful bike rides through the polders, located more inland.

The group of assisted living apartments is easily accessible by car thanks to the very good connection with the E40 highway and a number of above-ground parking spaces on-site, and by public transportation thanks to a bus stop in the vicinity of the project. Ostend Airport is only 10 kilometers away.

The project's 60 assisted living apartments are subdivided into 45 residential units with 1 bedroom and 15 residential units comprising 2 bedrooms. Each individual assisted living apartment will consist of a living room with open kitchen, bathroom, storage room, landing, separate bedroom(s) and a terrace.

### **The transaction**

The social welfare board of Middelkerke has awarded this project to Care Property Invest and will grant a right of superficies on the land for a term of 32 years to the Company. The new development will be financed entirely with proceeds deriving from the capital increase of October 2017 (for more information, see table below).

This investment will be qualified as a financial lease and is therefore very similar to the construction used for the recent developments of the projects 'De nieuwe Ceder' in Deinze, 'Herfstvrede' in Moerbeke and 'Huis Driane' in Herenthout.

The total investment cost for 'Assistentiewoningen Welzijnshuis' is estimated to be approximately €8.2 million. Upon completion of the construction, Care Property Invest will receive an annual ground rent from the lessee, the PCSW (OCMW/CPAS) of Middelkerke, by means of a long-term lease agreement of the 'triple net' type with a ground rent indexable on an annual basis.

Care Property Invest would like to reconfirm its desire to expand its real estate portfolio in the future with health care infrastructure in the Flemish, Walloon and Brussels-Capital Regions as well as elsewhere in the European Economic Area.

### Summary of the investments financed by the October 2017 capital increase.

An overview of the committed investments, within the framework of the October 2017 capital increase of Care Property Invest, along with projects that were not yet committed at the time of the capital increase, can be found below. The committed are described in the Securities note (available on the Company's website; <http://carepropertyinvest.be/en/investments/capital-transactions/capital-increase/> on page 40 underneath paragraph 4.4 - available in Dutch only).

COMMITTED INVESTMENTS	TYPE OF PROJECT	LOCATION	CONVENTIONAL VALUE (IN MILLION €)
<b>Qaly@Beersel</b>	Residential care centre	<i>Beersel, Flemish Brabant</i>	<b>16.7</b>
<b>Oase</b>	Residential care centre	<i>Meise (Wolvertem), Flemish Brabant</i>	<b>16.0</b>
<b>De Nieuwe Ceder</b>	Housing complex to be developed for persons with disabilities and acquired brain injuries	<i>Deinze, East Flanders</i>	<b>11.0</b>
<b>Huis Driane</b>	Assisted living apartments	<i>Herenthout, Antwerp</i>	(1) <b>3.6</b>
<b>Les Saules</b>	Residential care centre	<i>Vorst, BCR</i>	(2) <b>15.2</b>
<b>Residentie Moretus</b>	Residential care centre	<i>Berchem, Antwerp</i>	<b>23.0</b>
<b>Park Kemmelberg</b>	Assisted living apartments	<i>Berchem, Antwerp</i>	<b>7.0</b>
<b>Assistentiewoningen Welzijnshuis</b>	Assisted living apartments	<i>Middelkerke, West Flanders</i>	(3) <b>8.2</b>
<b>TOTAL CONVENTIONAL VALUE</b>			<b>103.5</b>
<b>% NET TOTAL AMOUNT OF CAPITAL INCREASE INVESTED ON 10/01/20180</b>			<b>(3) 143.5%</b>

- (1) On 30 September 2017, €1,866,788.46 has already been capitalised.
- (2) On 30 September 2017, €4,598,598 has already been capitalised. This amount is added to the conventional value compared to the table in the Prospectus of the capital increase.
- (3) Taking into account the additional conventional value of Herenthout and Vorst compared to the balance sheet value on 30 September 2017 amounting to €1,8 million and €11 million respectively, this is 135%.

#### Caution regarding forecasts

*This press release contains forecasts involving risks and uncertainties, amongst others statements regarding plans, objectives, expectations and intentions of Care Property Invest. Readers are cautioned that such forecasts involve known and unknown risks and are subject to significant business, economic and competitive uncertainties which are mostly beyond Care Property Invest's control. If one or more of these risks or uncertainties materialise or should, if applied, basic assumptions prove incorrect, the final results may significantly deviate from the anticipated, expected, estimated or projected results. Consequently, Care Property Invest cannot assume any responsibility for the accuracy of these forecasts.*

For any additional information



**Valérie Jonkers**  
Chief Operating Officer  
valerie.jonkers@carepropertyinvest.be  
T +32 3 222 94 94 - F +32 3 222 94 95 - M +32 499 28 01 43  
Horstebaan 3  
2900 Schoten  
info@carepropertyinvest.be  
[www.carepropertyinvest.be](http://www.carepropertyinvest.be)

**About Care Property Invest**

Care Property Invest NV is a Public Regulated Real Estate Company (Public SIR/GVV) under Belgian law. Based on a solid organisation, Care Property Invest helps healthcare entrepreneurs to undertake property projects by offering real estate tailored to the end user, that is both qualitative and socially responsible. For its shareholders, Care Property Invest strives for a stable long-term rate of return.

This year, Care Property Invest's share celebrated its 21st anniversary on Euronext Brussels. The share is listed under the name of **CPINV** and has the following **ISIN-Code: BE0974273055**. As from December 2016, the share has also been included in the **BEL Mid index** and the Company has become a member of **EPRA**.

In September 2017, the Company received its first **EPRA BPR Gold Award**.