



## Resi-for-Rent – a new player in Poland’s residential property market

**Warsaw, 20<sup>th</sup> of September, 2018 - Resi-for-Rent – a new player in Poland’s residential property market – has invested in four housing projects under development comprising 1,200 flats for rent. The value of the deal was PLN340 million. In the next months, Resi-for-Rent will start new projects for 1,700 units to be able to deliver the target of 5,000 units under management by 2023.**

The investment into a 70% stake in R4R businesses was made by one of the world’s premier investment managers, together with Griffin Real Estate, with the remaining 30% by Echo Investment S.A.

The four projects acquired by the new platform are Browary Warszawskie with 451 apartments, Rychtalska, and Kępa Mieszkańska projects in Wrocław with 303 and 270 apartments respectively as well as a Łódź-based project on Wodna Street with 211 apartments. In the coming months, the company will begin new 1,700 apartments that are already in an advanced permitting stage and ready to start to expand the business to hit the target of 5,000 units by 2023. The new projects will be located in Warsaw, Cracow, Gdańsk, and Poznań. Overall, R4R will offer from 5,000 to 8,000 flats thus becoming Poland’s largest institutional rental platform with medium- and long-term lease in its offer. Resi-for-Rent, via an independent entity, will take care of the operational management of the properties, including the leasing or ready-to-use flats, while Echo Investment will provide planning, design and implementation services.

*“For Echo Investment entering the residential property for rent sector means a possibility of significant expansion of operations in the residential sector as a whole. What’s more, Resi-for-Rent will make it possible to get a long-term business that will complement the rest of the other activity. This will also be a great addition to many destination projects we are implementing to create the true destination feeling,”* says Nicklas Lindberg, CEO at Echo Investment.

First tenants will move to R4R-owned buildings in the third quarter of 2019.

*“This is just a beginning of creating an institutional product on the residential for rent market meeting the needs of increasingly flexible society, in buildings offering a wide range of additional services that will improve the living standards of the inhabitants. That’s especially true in case of young, mobile specialists who are not interested in the ownership, instead preferring an opportunity to rent from an institutional landlord that, in one product, guarantees them both flexibility and safety,”* says Piotr Gromniak, CEO at R4R Poland.

According to the most recent Property Index research by Deloitte, only slightly more than 15% of Poles rent their flats, which is a much lower rate than the European average. For instance, 23% Czechs, 24% Britons, 30% Austrians or 54% Germans live in rented apartments.



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*"We firmly believe that in Poland the institutional rental housing sector will become a stable and prospective business offering attractive yields, similarly to other European countries, like Germany.*

*Resi-for-Rent is an answer to changing lifestyle; of how we live, work and spend our free time,"* adds Nebil Senman, managing partner at Griffin Real Estate.

The acquisition of the properties for R4R Poland group in the amount of PLN259 million has been provided by a consortium with Bank Pekao S.A. as its agent.

The advisers on the deal were Linklaters, DLA Piper, White & Case law firms, as well as consulting companies MDDP Tax Advisory Company, EY, REAS, JLL, Arcadis, and Gleeds.