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Realising exceptional projects across Europe

The Luxembourg real estate investor, M&A Property Investors, is increasing its projects across Europe. Its financial contribution, alongside property developers, has recently enabled the construction of two outstanding projects in Switzerland. Two others are preparing to take shape in the Czech Republic. By targeting regions in full development, M&A Property allows high quality buildings to be born while maximising its return on investment.

Four projects supported by M&A Property Investors

Le Torri – Locarno – Switzerland

Located in Locarno, in the Swiss Canton of Ticino, Le Torri is a residential and commercial building. Delivered in July 2015, it comprises four towers of 32 apartments each, and more than 850 m² of commercial space. Locarno is a tourist town in full development. Today, it is at the heart of what is called the Swiss Riviera, on the Italian border. The momentum behind the real estate market in the region, and the quality of the project brought to them by the developer, were enough to convince M&A Property Investors to financially support this project and to enable its realisation. The global cost of this real estate development amounted to 48.6 million Euros. M&A Property Investors, along with the developer, contributed equity to the tune of 10.6 million Euros, with the balance financed by a bank loan. Work began in September 2011. The project was delivered in July 2015. For the investors and developers, it cleared a net profit of 7.85 million Euros. Following its investment logic, with the objective of quickly exiting the project once it is realised, M&A Property has benefited from a *return on equity* of 80.82% over 4 years, and an annual rate of return of 20.20%.



Afilodacqua – Maroggia – Switzerland



M&A Investors has enabled the realisation of this luxury residential development project in the town of Maroggia in Switzerland. At the heart of the Canton of Ticino, in an exceptionally high-quality environment, this project named “Afilodacqua” (by the stream) comprises 18 units. It is remarkable for its architecture, signed by

renowned architect Davide Macullo, who learnt his trade with the famous architect Mario Botta. The project is located on the banks of Lake Lugano, offering its occupants one of the most beautiful views in the world, over resplendent nature, between the water and the mountains. The potential of this project was obvious to M&A Property. It fits perfectly into the surrounding environment, which is favoured by many high net worth individuals. It is a niche development that was sure to find a buyer because of its exceptional nature. Work on the project started in October 2012 and it was delivered last October. The global cost of the development amounted to 24.40 million Euros. M&A contributed to the equity, which amounted to 6.10 million Euros. Financially, the development of this project led to a net profit of 7.85 million Euros, with an annual rate of return on investment of 26.77%.

Upcoming projects

Unicity Pilsen – Pilsen – Czech Republic

The “Unicity Pilsen” project is a residential project combining on the one hand apartments and on the other, studio apartments for students. Located in close proximity to the university, in a city with a vibrant property development market, this project responds to a strong demand for residential properties, both for individuals and



for residents. “*This is a project to which we are very proud to contribute,*” says Marc E. Cottino, chairman of the Board of Directors of M&A Property Investors. “*It will include between 100 and 125 units dedicated to students and about 210 apartments for residents. It is the subject of an agreement with the university. We have just completed*



the financing of the project. Work should begin in the first quarter of 2016. Delivery is scheduled for the end of 2019.” M&A Property is co-financing the developer to achieve the capital required to finance the project. The project has a budget of around 46 million Euros. The equity to be contributed amounts to 11.5 million Euros, with the balance financed by a bank loan. This development, planned for release in three years' time, hopes to achieve a net profit of 12.9 million Euros, for an annual rate of return of 37.33%, calculated on the equity invested.

Aparthotel – Prague – Czech Republic

M&A Property has just recently decided to invest in the heart of the city of Prague. The “Aparthotel” project is a building complex, bringing together some 277 hotel suites and 650 m² of commercial space. *“It is currently one of our flagship projects,”* specifies Marc E. Cottino. It comprises luxurious furnished suites, which are available to rent for short stays or longer periods. Alongside the suites, where



you can live and welcome guests like you would at home, the future operator will deliver a range of services that a hotel would offer. *“Prague is now one of the most visited cities in Europe. People visit for sightseeing or business. This building, which is uniquely situated, will respond to the diverse needs of people who want to explore the city and those who intend to stay there more long term,”* specifies Marc E. Cottino. The budget for the whole project amounts to 51 million Euros. His development is supported by an 80% bank loan. M&A Property, by providing 3 million Euros of the 10.2 million Euros of equity required to develop this project, is enabling it to be realised. Work will begin in the second quarter of 2016. Delivery is scheduled for late 2019. This development forecasts a net profit of 12 million Euros after 3 years, for an annual return on investment of 37%.

“Invest where there is a real market dynamic”

Incorporated in Luxembourg, M&A Property Investors specialises in financing residential real estate projects. Manager of a fund and a *real estate* investment platform, the structure specialises in private equity real estate projects, supported by a clear strategy. *“M&A Property contributes capital to supplement bank loans, contributions that are now necessary for realising real estate projects,”* comments Marc E. Cottino, *chairman* of M&A. *“We, therefore, support property developers, by developing financial partnerships, to enable them to realise their projects. For our part, we talk about opportunistic investment.”* M&A Property invests for relatively short



periods, with the expectation of a profit on exit after an average of 30-32 months. The fund's activity is supported by a wide European network of developers, architects, business lawyers and engineers who want new projects to come to the surface. *“We favour investments in Northern Europe, a region where the real estate market shows better health and growth over the long term.”*



“The capital investment financing model is also better accepted in this region, both commercially and legally”, continues Marc E. Cottino. “We invest where there is a demand, in dynamic markets. This dynamism ensures that we can exit from the project as easily as possible at the right time, with the expectation of double-digit returns for our investors. Over and above the market, the other characteristics of a successful project are the cost of the land, the location and, obviously, the quality of the building itself.”



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