
Brussels, North area

Befimmo obtains the public tender of the Flemish authorities

The 70,000 m² offices of the ZIN project are already fully pre-let

The public tender for works to design, build and deliver a building for the Flemish authorities (“Vlaamse overheid”) in Brussels has been awarded to Befimmo. The procedure was started by the Flemish authorities in 2017.

This transaction of 70,000 m² is the largest that has taken place on the Brussels office market in over ten years. It is clear evidence once again that Befimmo can create value in its portfolio by redeveloping strategically located assets.

The project for the Flemish authorities, which bears the name “ZIN in No(o)rd”, is an ambitious project. The ZIN site, that combines various functions in an innovative way, will comprise approximately 110,000 m². It is centrally located in the North area and involves 70,000 m² of offices, 5,000 m² of coworking, 127 apartments, 240 hotel rooms and also sports areas, leisure areas, hospitality, and shops.

Befimmo chose the architect teams of 51N4E, Jaspers Eyers Architects and l’AUC for the design. The choice followed a call for applications that was set up in 2017. The team is being assisted by experts in engineering, sustainability, circular economy, accessibility and wellbeing.

In 2018 Befimmo applied for the permit for ZIN, the redevelopment of the site of the present WTC 1 and 2. The first phase of the works, the demolition, will begin in the first quarter of 2019. The second phase should start in mid-2020 after the necessary permits have been obtained. The works will continue until mid-2023. Befimmo already has an agreement with a contractor for construction of the project at a guaranteed price. As a reminder, the lease that Befimmo had with the Belgian State, sole occupant of tower 2, expired on 31 December 2018. So Befimmo has already found a new tenant for the office space only a few months later.

The lease¹ with the Flemish authorities for 70,000 m² of offices will begin in 2023 (upon provisional acceptance of the works) and has a fixed term of 18 years. Approximately 3,900 Flemish officials will find a new, inspiring and sustainable workplace in “ZIN in No(o)rd”, completely in line with the principles of the new ways of working.

The apartments on the site will be let. For the hotel part, an innovative hotel concept is planned in collaboration with a specialised operator. The total construction cost of the project is estimated at €375 million. The expected gross initial yield on the total investment value should be approximately 4.5%². The project will be financed by means of debt, and partially by the proceeds of the sale of certain assets in the framework of the dynamic management of the portfolio announced in February 2019³, in accordance with Befimmo’s financing policy.

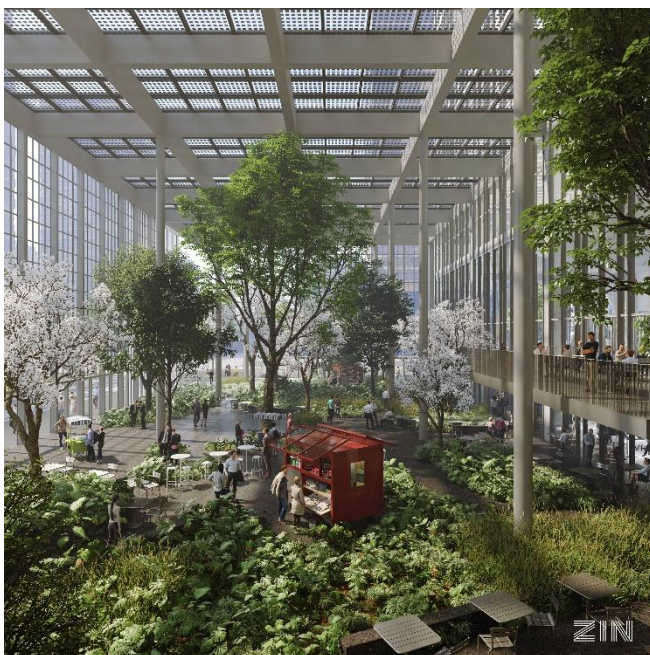
“We are delighted to welcome the officials of the Flemish authorities to our ZIN site in 2023. ZIN will be a real example in many ways! With ZIN we are demonstrating a new sustainable way of working and living, and even a new approach to urban development. It’s the result of fantastic teamwork between our own teams and the best architects and consultants. During the design phase, the building team was brought together on a floor of the existing WTC 1 tower, which resulted in a unique co-creation process. The future took shape from all their experiences, which makes it possible to make maximal use of the existing attributes of the site and the neighbourhood,” says Benoît De Blicq, CEO of Befimmo. *“Whit this transaction we have pre-let 92,000 m² of the 137,000 m² of office space in Quatuor and ZIN that we are redeveloping in the North area in Brussels in the time frame of 2021-2023.”* Benoît De Blicq continues.

¹ Under the condition precedent that the necessary permits are obtained.

² Calculated on the total investment value, all functions included.

³ See page 27 of the press release of 14 February 2019 on the annual results 2018.

The four key features of ZIN



Making city

The North area in Brussels is an environment in full transition, with enormous assets but also big challenges. The existing WTC towers, which were developed in the 1970s, no longer meet the expectations of the market. Flexibility in working is a reality today, both in space and in time. Office neighbourhoods are more and more becoming collective places where people meet each other to work together in constantly changing constellations. For that reason among others, the principle of “making city” is a key element in the design of the project. ZIN will be fully integrated into the existing urban ecosystem and will be open to the city. The ground floor will be a transparent public space with a spacious conservatory. The view from the rooftop terrace will be the finishing touch. The various functions on the site each get their own address and access, so that new urban axes are created.

Working, housing, living

A new central volume will connect the two existing towers, creating 14 exceptionally spacious floors with a free height of approximately 5 m. In this way, the Flemish authorities gets an enormous workspace of more than 4,000 m² per floor, with a panoramic view of the city. The enormous and extensive interior space will make it possible to create a green and healthy living environment.

On the intermediate floors there will be apartments (on the east side) and a hotel (on the west side). This fusion of functions will create a building where there always will be life, seven days a week. So ZIN will fully contribute to bringing back a true and new dynamic to the North area.

Adaptable building

Circularity is also a very important aspect of the ZIN project. The existing building is being maximally used. The underground floors and circulation cores are being retained; what is demolished is getting a new life. Overall, more than 95% of all the materials and existing equipment will be recovered or recycled.

The circular philosophy is not just based on recovery and certification, it also involves a very future-oriented outlook in a long-term vision for the building. The basic structure of the building will be identical for the different functions and will offer a great flexibility. So ZIN not only focuses on today's needs but will also be adaptable to the needs of tomorrow.

Sustainable design

User comfort and sustainability go hand in hand. An intelligent façade will guarantee energy-efficient comfort. Solar panels on the façade will provide energy and protection from the sun. The opening windows will ensure fresh air during the day and a natural cooling at night.

The roofs of the building and of the conservatory will also be maximally equipped with solar panels. Heat and cooling will be extracted from the ground with a ground-coupled heat exchanger system that will cover over 60% of the demand. An exchange of energy between the functions will further reduce consumption.

Befimmo, a Regulated Real-Estate Investment Trust (BE-REIT), listed on Euronext Brussels, is a real-estate operator specialising in office buildings, meeting centres and coworking spaces. Those Befimmo Environments are located in Brussels, the Belgian cities and the Grand Duchy of Luxembourg. With its subsidiary, Silversquare, Befimmo aims to develop a Belux network of interconnected workspaces

As a company that is human, a corporate citizen, and responsible, Befimmo offers its occupants contemporary office spaces and related services in buildings that are sustainable in terms of architecture, location and respect for the environment.

By creating added value for its users, Befimmo also creates value for its shareholders. At 31 December 2018, the fair value of its portfolio was €2.6 billion.

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Pictures for illustrative purposes. Permit application was applied for mid-2018.