



## **UXCO group: a newly created real estate division dedicated to investments and operations of co-living residences in France for students and young workers**

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- **Grand M Group, one of the French leaders in housing for students and young professionals, creates UXCO Group.**
- **A new identity as the starting point for a strong acceleration of the development of this newly created real estate division in France dedicated to investing and operating co-living residences for students and young workers.**
- **UXCO Group brings together all the Grand M Group's brands dedicated to residences for students and young professionals: UXCO (formerly Suitétudes) and ECLA.**
- **To date, UXCO Group owns and/or manages over 50 residences in France, representing 7,000 beds.**
- **Grand M Group is majority owned by Brookfield Asset Management private real estate funds.**

### **1,000 additional operative housing units at the start of the school year 2021**

Student accommodation, the leading market segment for furnished rentals in France, is set for an uninterrupted increase in demand in the face of the continuous increase in the population of students and young professionals, deepening the existing rental market's tension in some regions. As such, the Association of Student Housing alerted the French Senate in March this year as it estimated the shortfall in student housing at 250,000 units in France.

Under a new identity, UXCO Group – inspired by the group's historical values: "UX" for "User Experience" and "CO" for "Community" and "Co-living" – has initiated a move to significantly accelerate its development with the opening of eight new co-living residences in seven cities in France at the start of the school year 2021: Bordeaux, Caen, Montpellier, Pau, Pontoise, Rouen and Saint-Etienne. i.e., around 1,000 additional beds. It also plans the opening of six new residences in 2022 representing a total of 2,700 beds.

This acceleration will allow UXCO Group to establish itself as the benchmark in the student and young professional housing segment in France providing for premium residences each offering from 100 to over 1,000 units. In addition to combining comfort and high-end quality

of private and shared spaces, UXCO Group has developed a turnkey concept which, in addition to accommodations, includes co-working spaces, sports, cultural and leisure facilities as well as catering services.

*"Operating under a new single banner, the UXCO Group, allows us to better express our identity with a new branding that better reflects our everyday mission: deploy our capabilities to provide the best experience for our community, while relying on a solid background and expertise of the real estate value chain to accelerate our development,"* said Jacques-Edouard Charret, President of UXCO Group.

### **A development strategy combining operational excellence and extensive investments in student housing**

UXCO is a subsidiary of Grand M Group, the leading developer, owner, and operator of student housing, aparthotels, and co-living assets in France. Brookfield Asset Management private real estate funds acquired a majority interest in Grand M Group in 2018.

In parallel, in 2018, Grand M Group started a new stage of its development by shifting its model towards the acquisition of real estate assets managed by the Group, a new activity that led to the addition of a complementary expertise to provide a comprehensive and sustainable offer to manage the entire value chain. Since then, UXCO Group designs, finances, and builds the real estate assets that it then manages under the UXCO and ECLA brands.

With an investment plan of up to €1 billion by 2023, the Group confirms the evolution of its business model through the acceleration of property development.

With UXCO, a new platform dedicated to the housing of young people and a pioneer in introducing co-living in France, UXCO Group has the investment capacity to target very significant development. Since the creation of the largest student residence in Europe, ECLA Palaiseau, in 2018 (1,300 beds), it has quadrupled the size of its portfolio of beds with the recent acquisition of eight new generation student residences (including three openings this year). In 2022, a pipeline of nearly €800 million (2,700 beds) should also be completed to meet the increasingly demanding needs of students and young professionals 2.0.

*"While we pursue the development of high-quality residences in prime locations for students and young professionals, we also closely monitor the development projects French cities' administrations undertake. Following this dynamic, several acquisitions and investment partnerships are currently being finalised. This is a value-creation strategy for which we expect double-digit profitability over the entire holding period,"* explains Emmanuel Pariente, Chairman of Grand M Group.

The UXCO Group's objective is to develop and operate a portfolio of 20,000 beds by 2025, targeting acquisitions mainly in the Greater Paris area, but also in major French student cities where the so-called alternative housing market is under-supplied. UXCO Group is in discussion with several local authorities in charge of development projects to create targeted investment vehicles that will strengthen the Group's geographical coverage. UXCO Group will also be able

to count on synergies with the developer Océanis, also a subsidiary of Grand M Group, through the execution of joint projects: to date, 4 projects are under construction and other projects are being finalised.

*"We anticipate a strong rebound from the start of the 2021 school year with the roll-out of the health pass. Within the large property market for students and young professionals, we see a high demand for student residences. This trend is expected to further grow, and we are pleased, through the opening of 8 new residences, to provide a solution that meets the expectations of students and young workers but also allows us, at our level, to respond to the structural deficit of housing for these populations in certain regions of France,"* added Jacques-Edouard Charret, President of UXCO Group.

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## **Notes to editors**

### **The co-living experience at the heart of the UXCO project**

Born in the 2000s, the concept of co-living has emerged as a new way of life, a response to the shortage of quality student accommodation and the desire for mobility. As a pioneer of the concept in France, UXCO Group offers turnkey solutions in shared accommodation in major cities with the aim of providing an enriching, connected, innovative and totally flexible community living experience, completed with quality services.

The attractiveness of co-living is expected to continuously grow, driven by changing lifestyles and the increased need for social ties that have been severely undermined by the health crisis.

### **A committed community**

In its student residences, UXCO Group brings together an international community. For example, its ECLA campus, located in Massy-Palaiseau on the Plateau de Saclay, is the largest European campus dedicated to co-living with 89 nationalities represented and 65% of its residents joining from abroad. Much more than accommodation in a secure environment, ECLA offers a multitude of services that allow its community to interact: catering and co-working spaces, movie theatres, sports and gaming rooms, music and creative studios, etc.

### **About UXCO Group**

UXCO Group is a pioneering company specialising in the creation and operation of co-living residences dedicated to students and young professionals. Fifteen years after opening its first

serviced student residence in Nîmes, UXCO Group now operates over 50 residences throughout France.

In parallel, the Group has developed the "mega residence" concept, the first of which, ECLA, opened in late summer 2018 in Massy-Palaiseau. This innovative co-living housing concept meets the changing needs and expectations of the new generation.

### **Press Contacts**

Véronique Charret (Image Sept) – [vcharret@image7.fr](mailto:vcharret@image7.fr) – +33 6 73 18 99 65

Rebecca David (Image Sept) – [rdavid@image7.fr](mailto:rdavid@image7.fr) – +33 6 04 74 83 69