

*Paris, Wednesday, February 4, 2009*

## **Public-Private Partnership: SNI group (Caisse des Dépôts) and Nexity join forces to develop and operate intermediate housing units**

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*André Yché, Chairman of the Management Board of SNI group, and Alain Dinin, Chairman and CEO of Nexity will announce tomorrow morning the creation of a real estate property company to produce and operate a minimum of 800 intermediate rental housing units per year over the next three years.*

This industrial partnership involves programming the sale of a certain volume of housing units to an identified buyer, in exchange for a cap on the developer's percentage margin.

- SNI group plans to acquire at least 800 housing units pending completion per year over the next three years.
- In exchange for a lower margin, Nexity will gain a share of the value creation delivered by the property company which will own and operate these housing units.

This agreement involves the acquisition of equity stakes (see the simplified chart on page 2):

- Nexity will own 90% of the share capital (SNI group 10%) of the special purpose vehicles, under the form of *sociétés civiles immobilières* ("SCI") created for the housing units developments earmarked for inclusion in the property company (*Foncière SNI*). These housing units will not benefit from subsidized financing and will be subject to a 19.6% VAT rate.
- SNI group will own 90% of the share capital (Nexity 10%) of the property company (*Foncière*) created for the purposes of owning and operating these housing units.

André Yché, Chairman of the Management Board of SNI group will be designated chairman of this jointly-held property company, which will have a preferential right to purchase Nexity's projected block sales of housing units.

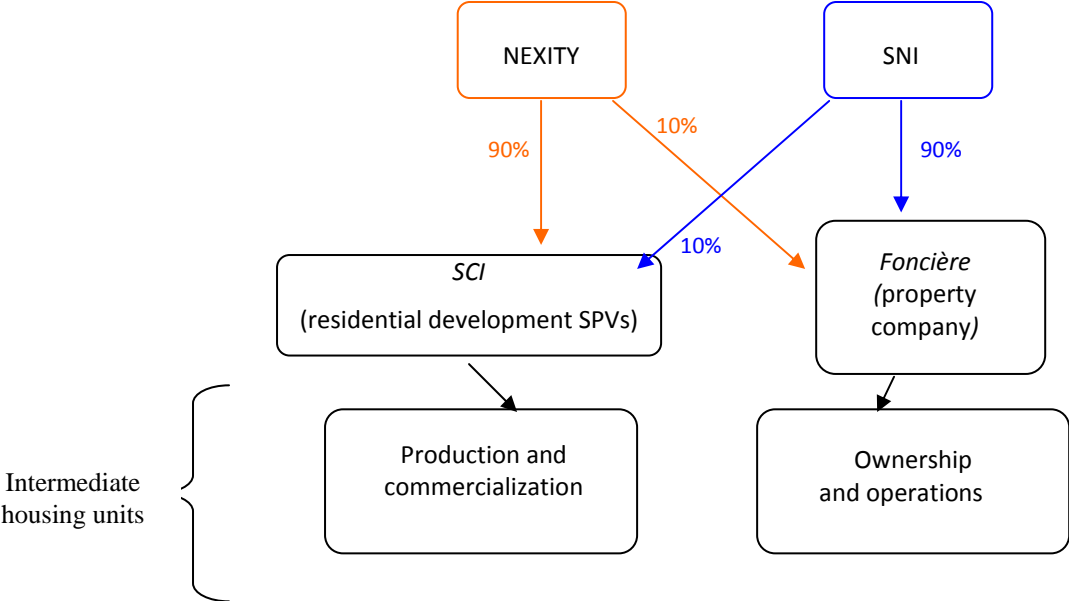
The housing units to be offered will have to meet criteria imposed by SNI group in terms of geographic regions and prices, and comply with an environmental approach in accordance with the provisions of the French government's environmental workgroup<sup>1</sup>, both with regard to their integration in the site and their energy performance ("*THPE*", very high energy performance).

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<sup>1</sup> Grenelle de l'Environnement

For Nexity, programming a volume of purchases based on predetermined criteria means that it can adapt its production beforehand. Given the investment in this property company, Nexity will have a stake in the results of the operation and future sale of these housing units. This non-exclusive partnership matches Nexity’s diversification strategy towards social housing operators and institutional investors.

Reminder of the financial arrangements:



**ABOUT NEXITY**

The largest fully integrated real estate group in France, Nexity uses its comprehensive range of sector-specific skills and expertise to serve the private individuals, companies and local authorities that make up its customer base. As well as being a leader across the entire spectrum of real estate businesses—property development (homes, offices, retail and other businesses), real estate services for private individuals and companies, franchise networks, urban development and asset management, Nexity is today able to provide global responses to the needs of its customers. Nexity is present throughout France, and in other European countries.

**About SNI group:**

As a public-interest real estate subsidiary of the Caisse des Dépôts, SNI group is the front-ranking French lessor, with 263,000 housing units under management, comprising 182,000 social housing units and 81,000 intermediate housing units, a network of 220 SEM (mixed-status companies), revenue of €1.2 billion and 4,600 employees. It covers the full rental offering range and provides a global response to boosting the residential housing market in France. Through three of the four priorities underpinning the ELAN 2020 strategic plan – residential housing, universities, sustainable development – the SNI group contributes to the public-interest action of the Caisse des Dépôts. For more information: [www.groupesni.fr](http://www.groupesni.fr)

## Contacts

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