

11 September 2020

**BCRE – Brack Capital Real Estate Investments N.V.**  
**(“BCRE” or the “Company”)**  
**Business update**

Further to the Company’s announcement, specifically the COVID-19 report, dated 21 May 2020, the Company would like to share its view and information on the ongoing COVID-19 crisis effect:

The negative impact of the COVID-19 on all corporate activities continues.

Due to this, the efforts to dispose the non-core assets have slowed down and the expected prices are lower than in the original Business Plan.

The main activity, and most of the balance sheet equity value of the company, is concentrated in 2 major residential projects in Manhattan (90 Morton and 720 West End Avenue respectively). The negative impact of the COVID-19 crisis on that specific market also continues.

The short-term negative trends in Upper West Side (720 WEA location) are intensifying by the NYC Municipality homeless policy (renting hotels at the UWS for homeless people previously staying in homeless shelters).

The time to market of the residential condo units of 720 WEA is expected to approximately take 24 months, if the construction works start in 2020. Under the current conditions, the Company management believes it is extremely hard to predict future sale values at this stage.

This uncertainty also has a major negative effect on the availability of construction financing and the terms and conditions thereof.

From the latest relevant announcement in May 2020, the Company finalized the bridge loan of the 720 WEA project allowing the Company to extend the timing for decision making and to explore alternative solutions for this situation.

**ENQUIRIES:**

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**About BCRE**

BCRE is an international real estate development and investment group, headquartered in the Netherlands and listed on the Cyprus Stock Exchange. Through its subsidiary and associated undertakings, the Company is interested in, develops and operates an international portfolio of real estate assets in the markets it operates.

The Company has established local management team platforms with significant local market expertise. At present, the Company has offices and teams in New York, Moscow, Amsterdam and Limassol.