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SCPIs AND OPCIs: €8 BILLION IN NET INFLOWS IN 2020

ASPIM-IEIF statistics show that, despite the health and economic crisis, the two main real estate investment funds for retail investors sustained high levels of inflows. In total, inflows into SCPIs and retail OCPIs amounted to €8 billion in 2020, down 30% in volume on the 2019 figure but up 10% versus 2018.

For Jean-Marc Coly, Chairman of ASPIM: "Like most economic actors, of which they are partners, real estate funds faced an unprecedented situation in 2020 due to the complexity of the challenges they had to meet. We therefore welcome the fact that, despite the constraints arising from the health crisis, inflows into real estate funds remained high, providing strong liquidity in the market. Acting in the interest of shareholders, asset management companies offered support for the hardest hit commercial tenants (retailers, restaurants, hotels). Thanks to their solid fundamentals, the funds were able to deliver the performance promised. While 2021 looks set to be another difficult year for the economy, I have no doubt that the strong appeal of real estate funds as saving products will be confirmed over time."

Net inflows and investment

- **SCPIs**

Inflows into SCPIs totalled €6.03 billion in 2020, down 29.5% versus 2019, but representing the third highest level ever recorded for this type of fund. The full-year figure benefited from a very good first quarter (€2.56 billion), as well as a rebound in inflows during the last quarter (€1.56 billion, up 54% versus the third quarter).

On the investment side, SCPIs made acquisitions worth €8.4 billion in 2020, compared with €9.2 billion in 2019. In 2020, offices were the main investment focus (65%), followed by commercial premises (15%), healthcare and serviced residences for seniors (8%), logistics and business premises (5%) and lastly hotels (4%). Other categories (including housing, crèches/schools and mixed-use premises) rounded out investments at 3%.

Geographically speaking, investments were largely made in international markets (40%, including 14% in Germany, 7% in the Netherlands and 6% in the United Kingdom), followed by the Ile-de-France region (38%, including 11% in Paris) and lastly the French provinces (22%).

SCPIs also sold €1.2 billion worth of assets, compared with €1.7 billion in 2019. 77% of the assets sold are offices and 70% are located in the Ile-de-France region.

Retail OPCIs

Retail OPCIs recorded inflows of €1.95 billion in 2020, down 29.7% versus 2019. The promising start in the first quarter (€1.29 billion) failed to withstand the decline in performance triggered by the stock market sell-off of listed real estate companies (8% of OPCIs' net assets as at 31 December 2019). The fourth quarter confirmed the fall-off in net subscriptions, which came in at €105 million (down 57% versus the previous quarter).

Capitalisation and net assets

- **SCPIs**

SCPI capitalisation totalled €71.4 billion as at 31 December 2020, up 9% year-on-year.

- **Retail OPCIs**

The cumulative net assets of OPCIs rose to €20 billion as at 31 December 2020, an increase of 7.5% year-on-year.

Secondary market for SCPI shares

The value of shares in SCPIs traded on the secondary market amounted to €1.25 billion in 2020, representing 1.76% of capitalisation (versus 1.53% in 2019). As at 31 December 2020, shares pending sale amounted to €109 million, i.e. 0.15% of capitalisation (versus 0.12% in 2019).

Performance

- **SCPIs**

During the second and third quarters, postponements and cancellations of rent payments granted to tenants hit hardest by the health crisis had a negative impact on distributions. However, by keeping on top of rent arrears, as well as occasionally drawing on their reserves, corporate real estate SCPIs succeeded in maintaining an attractive distribution level of +4.18% (versus +4.4% in 2019).

Variation in the average price per share increased by +1.12% due to the price increases seen at the start of the year. Share prices remained stable overall during the second half of the year.

- **Retail OPCIs**

According to the IEIF OPCI Grand Public index, the annual performance (dividends reinvested) stood at -1.54% in 2020. The share valuation fell by -2.87% year-on-year, while dividend payments provided a current yield of +1.33%.

In the fourth quarter, OPCIs recorded a +0.9% increase in net asset values, mainly due to the rebound in the stock markets as Covid-19 vaccination campaigns got underway in Europe.

ABOUT ASPIM

ASPIM promotes, represents and defends the interests of its members, all managers of alternative investment funds (AIFs) in real estate (SCPIs, OPCIs and other AIFs “by object”). Formed in 1975, ASPIM is a non-profit association that brings together all actors in the management of unlisted real estate funds. In France, at 31 December 2019, real estate AIFs represented a total capitalisation of €231 billion.

ASPIM has 113 members, of which 93 asset management companies (*Sociétés de Gestion de Portefeuille*) for SCPIs, OPPCIs, OPCIs and other real estate AIFs approved by the *Autorité des Marchés Financiers* (AMF - French financial markets regulator), be they subsidiaries of banking, insurance or foreign real estate management groups or entrepreneurial firms, and 20 highly-qualified experts from the real estate and financial ecosystem (lawyers, consultants, auditors and other experts).

Press relations

Etienne Dubanchet - PLEAD

Tel: +33 (0)6 62 70 09 43

etienne.dubanchet@plead.fr

APPENDIX

Performance of corporate real estate SCPIs in 2020	Distribution yield		Change in average price per share	
	2019*	2020	2019*	2020
Office SCPIs	4.28 %	4.04 %	1.43 %	1.40 %
Commercial SCPIs	4.42 %	3.67 %	0.18 %	0.23 %
Specialised SCPIs	4.50 %	4.41 %	0.06 %	0.03 %
Diversified SCPIs	5.03 %	4.82 %	1.01 %	0.91 %
Corporate real estate SCPIs	4.40 %	4.18 %	1.20 %	1.12 %

* reminder of IEIF statistics published in 2019.

Net inflows into SCPIs in 2020	2019 € million	2020 € million	Change
Office SCPIs	4,431.6	2,983.9	- 32.7 %
Commercial SCPIs	555.3	244.9	- 55.9 %
Specialised SCPIs	1,138.2	1,088.2	- 4.4 %
Diversified SCPIs	2,307.0	1,546.3	- 33.0 %
Housing SCPIs	123.9	168.2	+ 35.8 %
All SCPIs combined	8,555.9	6,031.6	- 29.5 %

Secondary market for SCPIs in 2020	2019 € million	2020 € million	Change
Office SCPIs	707.3	847.8	+ 19.9 %
Commercial SCPIs	89.9	100.7	+ 11.9 %
Specialised SCPIs	21.1	34.4	+ 63.2 %
Diversified SCPIs	145.4	244.6	+ 68.2 %
Housing SCPIs	32.2	24.8	- 22.9%
All SCPIs combined	995.9	1,252.2	+25.7 %

Gross inflows into SCPIs in 2020	2019 € million	2020 € million	Change
Office SCPIs	5,138.9	3,831.7	- 25.4 %
Commercial SCPIs	645.2	345.6	- 46.4 %
Specialised SCPIs	1,159.2	1,122.6	- 3.2 %
Diversified SCPIs	2,452.4	1,790.9	- 27.0 %
Housing SCPIs	156.1	193.0	+ 23.7 %
All SCPIs combined	9,551.8	7,283.8	- 23.7 %

Capitalisation of SCPIs in 2020	2019 € million	2020 € million	Change
Office SCPIs	40,850.8	43,978.9	+ 7.7 %
Commercial SCPIs	5,432.4	5,616.0	+ 3.4 %
Specialised SCPIs	4,195.1	5,291.3	+ 26.1 %
Diversified SCPIs	10,638.3	12,196.2	+ 14.6 %
Housing SCPIs	4,252.3	4,321.1	+ 1.6 %
All SCPIs combined	65,368.9	71,403.5	+ 9.2%

Asset turnover rate for SCPIs in 2020	2019* % of total number of shares	2020 % of total number of shares
Office SCPIs	1.74 %	1.91 %
Commercial SCPIs	1.51 %	1.91 %
Specialised SCPIs	0.62 %	0.87 %
Diversified SCPIs	1.16 %	2.06 %
Housing SCPIs	0.17 %	0.30 %
All SCPIs combined	1.49 %	1.80 %