



## La Française, Forum enter into European partnership

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GLOBAL – French asset manager La Française AM and Forum Partners Investment Management have entered into a strategic partnership with the view to launching a senior debt fund before the end of this year.

The partnership, which comes at a time when both companies look to expand their activities into other European markets, will see La Française invest as much as €600m in Forum Partners through the issue of new shares, representing a stake of 24.9%.

La Française will also commit capital to Forum's global securities business, its Asian private equity strategy and possible expansion opportunities in the Americas.

Speaking with IP Real Estate, Patrick Rivière (pictured), chief executive at La Française, said the asset manager decided last year to expand its France-based real estate activities to a broader European market and began looking for new partners able to meet its needs.

In total, it held talks with around 12 potential partners, he said, adding that the choice of Forum Partners was due to its investment scope, which was "very complementary to the one developed by La Française".

Under the partnership, the firms will seek to launch a senior debt fund before the end of this year, aiming to raise "at least" €400m, mainly from institutional clients in Europe.

Russell Platt, chief executive at Forum Partners, said the senior debt fund would focus initially on Germany and the UK, potentially extending its scope to other core European markets in future.

He added that the fund would target the office sector in metropolitan markets.

However, both Forum Partners and La Française will also consider opportunities in self-storage, student housing assets and shopping centres.

Additionally, they are aiming to launch a joint venture to invest in direct real estate before the end of this year, with its headquarters in London.

Platt said the real attraction in that market was the potential to make "micro-market calls", and develop and implement value-add strategies.

He added: "The only trick is that this market requires important resources, and it was outside our scope. But, thanks to the partnership with La Française, direct real estate has become accessible to us."

La Française and Forum Partners are also planning to launch a global securities fund on a UCITS platform in Luxembourg, gaining access to the other party's institutional and retail distribution network globally.

Rivière and Platt both said the strategic partnership came at a time when institutional investors were starting to return to real estate due to the low interest rates, which forced investors to find new sources of returns.

"It has been a very long winter for the European real estate market," Platt said.

"But we are returning to growth, especially in Northern Europe. It will take many years to bring the market back to normal – that will not happen overnight."

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