

INVESTMENT NOTE

Acquisition and Long-Term Lease of the Former bpost Building, Ixelles

1. Opportunity Overview

The Bridge Theatre is seeking a long-term real estate partner to acquire the former bpost building in Ixelles, immediately adjacent to Place Flagey, and lease it to The Bridge under a 20–25 year indexed agreement.

The asset comprises approximately 4,000m² in one of Brussels' most established and resilient urban neighbourhoods. The current asking price is €4.3m; market feedback suggests potential flexibility at acquisition, offering scope to secure long-term value in a structurally strong location.

The proposal is to structure the building as a unified, long-hold income asset anchored by a growing cultural institution. From inception, the property would generate indexed rental income under a long-duration lease, with the tenant pursuing phased operational expansion within the existing structure.

The targeted framework is a gross yield in the region of 4%–4.5%, subject to final acquisition price and lease terms. This reflects the long lease duration, indexation protection and planning clarity supporting institutional use.

The opportunity is positioned as a core income strategy: durable, indexed income secured by an operating institution with diversified revenues, combined with long-term asset resilience in a prime Brussels district.

2. The Asset

The property comprises approximately 4,000m² of adaptable space with generous ceiling heights and flexible internal volumes. Its prominent position in Ixelles, close to Place Flagey, provides excellent accessibility and strong long-term neighbourhood fundamentals.

The scale and configuration allow for the creation of a primary performance space, a second smaller playing space, rehearsal and education studios, corporate and event rental areas, and community-facing facilities. The building can therefore support both artistic production and commercial activity, enabling diversified revenue generation under a single institutional operator.

Full-building control preserves operational flexibility, acoustic integrity and long-term scalability.

3. Planning Context

The Commune of Ixelles has approved guiding principles for the future use of the former Poste Flagey site.

These include:

- A minimum 65% allocation to collective public-use functions, including the entirety of the ground floor;
- Preservation of the existing built envelope and heritage elements;
- No increase in volume or demolition;
- No parking development unless strictly required for public-use purposes.

These principles establish a clear framework prioritising civic and cultural use while protecting the architectural character of the building.

The Bridge's proposed occupation aligns directly with this framework, providing a majority public cultural function within the existing envelope.

This planning clarity materially reduces speculative redevelopment risk and supports long-term institutional positioning of the asset.

4. The Tenant: The Bridge Theatre

Established in 2021 to create a permanent home for English-language theatre in Brussels, The Bridge has grown into a recognised cultural actor within the city.

To date, the organisation has:

- Welcomed over 12,000 spectators to seven large-scale productions;
- Delivered workshops to more than 2,000 participants;
- Undertaken over 60 corporate engagements;
- Delivered 50 school workshops.

The organisation operates on a self-sustaining financial model centred on scalable revenue-generating activity. Public support has been secured from the Commune of Ixelles, Fédération Wallonie-Bruxelles, the Brussels-Capital Region and the European

Union. Turnover in 2025 reached €400,000.

The Bridge is administered by Edward McMillan (EMBA, former European diplomat) and Éva Kamarás (former Deloitte, European Commission), supported by an Advisory Board providing strategic oversight. Governance and financial management are structured to support institutional growth and long-term stability.

Three structural constraints currently limit expansion:

- Shortage of suitable performance venues in Brussels;
- High project-based venue and technical hire costs (35–50% of production budgets);
- Capacity constraints at the existing St Gilles studio.

Securing a permanent base removes these constraints and enables transition from a producing company to a fully-fledged cultural institution with diversified and scalable income streams.

Based on expanded programming capacity, increased seat utilisation, workshop growth and reduced venue hire costs, turnover is projected to scale towards approximately €1.5m within five years of occupation.

5. Lease Structure and Yield Framework

We propose a 20–25 year indexed lease agreement. Discussions are framed in yield terms aligned with acquisition pricing.

At an acquisition price of €4.3m:

- 4% gross yield equates to approximately €172,000 per annum
- 4.5% equates to approximately €193,500
- 5% equates to approximately €215,000

A target yield in the region of 4%–4.5% reflects the long lease duration, indexation protection and planning-supported institutional use.

Final rent would be determined in relation to acquisition price, lease duration, indexation terms and potential stepped structuring during the initial scaling phase.

6. Strategic Importance of Unified Control

The commune's requirement that at least 65% of the building be dedicated to public-use functions establishes civic use as the primary orientation of the asset.

Introducing fragmented residential ownership within the remaining portion may improve short-term development margins but would introduce permanent governance complexity, acoustic constraints and operational limitations.

Once residential units are introduced, long-term cultural scalability is materially reduced.

Retaining unified ownership preserves programming flexibility, enables multiple performance spaces, supports daytime corporate and educational use, and protects long-term institutional growth.

From an asset perspective, unified control maintains strategic coherence and avoids structural fragmentation that can undermine long-duration income stability.

7. Financial Stability, Revenue Diversification and Capital Discipline

The operating model is viable within the building in its current condition. The initial focus is on optimising utilisation of space, reducing external venue hire costs and consolidating existing revenue streams currently constrained by limited capacity.

Growth is operationally led rather than capital-led. Revenue expansion and margin improvement precede material upgrades.

As activity scales and cashflow strengthens, targeted improvements can be implemented in a disciplined manner aligned with demonstrated demand and commercial return.

Positive operating results are projected from Year 4 onward while supporting indexed rent, building operations and incremental upgrades.

During the initial scaling phase, liquidity is supported through structured working capital planning and committed financing, ensuring rent coverage and operational stability.

The model has been tested under conservative assumptions and demonstrates resilience at maturity. For further details on our financing model, please see [this document](#).

8. Phased Improvement Strategy

The building can support immediate occupation. Rather than undertaking a large redevelopment at inception, the strategy is to implement progressive, targeted upgrades over time.

This allows continuous occupation while enhancing technical capacity, audience experience and commercial functionality incrementally.

For the investor, acquisition risk is separated from capital expenditure risk. The asset generates income from day one, with improvements undertaken as value-enhancing measures rather than prerequisites for viability.

9. Exit and Asset Optionality

While the intention is long-term partnership, the asset retains structural optionality.

The building is located in a strong Brussels neighbourhood with enduring residential and mixed-use fundamentals, subject to planning consent.

A long-duration indexed lease to an established cultural institution enhances asset stability and supports potential refinancing or disposal to income-focused investors seeking durable, socially anchored real estate.

10. Investment Profile

This opportunity is suited to family offices, long-hold private capital, ESG-aligned investors and those with interest in civic infrastructure.

It offers indexed long-term income, exposure to capital preservation in a structurally strong location, and a stable institutional tenant under a long-duration lease.

11. Conclusion

This opportunity enables the creation of a long-term income-producing civic anchor within a prime Brussels neighbourhood.

We are seeking a partner aligned with a long-hold perspective — an investor who values durable indexed income secured by a growing institution, supported by disciplined capital stewardship and structural urban resilience.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
Operating Revenue	€192,000	€307,400	€399,000	€642,500	€865,000	€1,087,500	€1,310,000	€1,532,500	€1,672,500	€1,672,500	€1,672,500	€1,672,500	€1,672,500	€1,672,500	€1,672,500
Productions	€78,000	€84,000	€122,500	€240,000	€360,000	€480,000	€600,000	€720,000	€840,000	€840,000	€840,000	€840,000	€840,000	€840,000	€840,000
Workshops	€72,000	€156,000	€168,000	€180,000	€240,000	€300,000	€360,000	€420,000	€420,000	€420,000	€420,000	€420,000	€420,000	€420,000	€420,000
Corporate	€18,000	€42,000	€54,000	€60,000	€75,000	€90,000	€105,000	€120,000	€120,000	€120,000	€120,000	€120,000	€120,000	€120,000	€120,000
Schools	€9,000	€6,000	€30,000	€22,500	€30,000	€37,500	€45,000	€52,500	€52,500	€52,500	€52,500	€52,500	€52,500	€52,500	€52,500
Bar	€13,000	€14,000	€17,500	€40,000	€60,000	€80,000	€100,000	€120,000	€140,000	€140,000	€140,000	€140,000	€140,000	€140,000	€140,000
External Rental	-	€1,400	€2,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000
Sponsorship/Donations	€2,000	€4,000	€5,000												
Operating Costs	€225,800	€317,900	€305,500	€968,500	€1,014,000	€1,099,500	€1,145,000	€1,302,500	€1,354,500	€1,354,500	€1,354,500	€1,354,500	€1,354,500	€1,354,500	€1,354,500
Activity Costs	€200,800	€260,900	€241,500	€351,500	€391,000	€430,500	€470,000	€549,500	€601,500	€601,500	€601,500	€601,500	€601,500	€601,500	€601,500
Staff	€0	€18,000	€24,000	€202,000	€208,000	€254,000	€260,000	€338,000	€338,000	€338,000	€338,000	€338,000	€338,000	€338,000	€338,000
Building Operations (utilities etc)		€10,000	€10,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000
Rent	€25,000	€29,000	€30,000	€180,000	€180,000	€180,000	€180,000	€180,000	€180,000	€180,000	€180,000	€180,000	€180,000	€180,000	€180,000
Preemptive Immobilier		€0	€0	€85,000	€85,000	€85,000	€85,000	€85,000	€85,000	€85,000	€85,000	€85,000	€85,000	€85,000	€85,000
EBITDA	-€33,800	-€10,500	€93,500	-€326,000	-€149,000	-€12,000	€165,000	€230,000	€318,000	€318,000	€318,000	€318,000	€318,000	€318,000	€318,000
Depreciation	€0	€0	€0	€15,000	€30,000	€45,000	€60,000	€75,000	€90,000	€105,000	€120,000	€135,000	€150,000	€150,000	€150,000
Operating Result (Profit / Loss)	-€33,800	-€10,500	€93,500	-€341,000	-€179,000	-€57,000	€105,000	€155,000	€228,000	€213,000	€198,000	€183,000	€168,000	€168,000	€168,000
Capital Expenditure (CapEx)	€0	€22,000	€18,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000	€150,000
Cash Flow before Financing	-€33,800	-€32,500	€75,500	-€476,000	-€299,000	-€162,000	€15,000	€80,000	€168,000	€168,000	€168,000	€168,000	€168,000	€168,000	€168,000
LOAN				€1,000,000											
LOAN REPAYMENT				€0	€0	€0	€50,000	€50,000	€100,000	€150,000	€200,000	€200,000	€200,000	€200,000	€0
Debt Coverage Ratio				0.00	0.00	0.00	3.30	4.60	3.18	2.12	1.59	1.59	1.59	1.53	0.00
BROUGHT FORWARD	€0	-€33,800	-€66,300	€9,200	€533,200	€234,200	€72,200	€37,200	€87,200	€135,200	€153,200	€121,200	€89,200	€57,200	€17,042
CLOSING CASH POSITION	-€33,800	-€66,300	€9,200	€533,200	€234,200	€72,200	€37,200	€67,200	€135,200	€153,200	€121,200	€89,200	€57,200	€17,042	€185,042
LOAN BALANCE (2% apr)				€1,000,000	€1,020,000	€1,040,400	€1,011,208	€981,432	€901,061	€769,082	€584,464	€396,153	€204,076	€0	€0