

Futureal Group's History

FUTUREAL GROUP

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Since its foundation, Futureal Group has achieved outstanding growth: our company, launched with minimal capital, has become one of the leading players in the European real estate market. Our success has been built on high-quality, innovative, energy-efficient, and human-centred investments and developments over the last two decades. These milestone projects have set new benchmarks for the industry.

2000-2003

WORKING TOGETHER AS FATHER AND SON, SEARCHING FOR A PATH

After the sale of Dr. Péter Futó's highly successful Hungarian candy business, Fundy, with origins going back 3 generations, and Gábor Futó's return from his studies at Harvard, father and son started working together in close partnership under Futureal Holding, an investment company pursuing diverse activities, including:



- A 2-phase, 142-unit residential development project (La Siesta), lead by Tibor Földi.
- The deeply discounted and multi-step takeover battle of a socialist era holding company (ISZH Rt.) with a stake in Raiffeisen Bank, a warehouse complex, a printed circuit board manufacturer and several other businesses. The battle ended up as a successful joint venture, Gábor became CEO responsible for the restructuring and selling off the parts of the business, including the rights associated with the Raiffeisen Bank ownership stake.
- The buy-back of parts of Peter Futó's previously sold candy business (and the sale of its non-core residential development land position in district IX.).
- The attempted buyout of Hungary's leading confectionary company (Stollwerck Hungary) using pre-emptive rights. The project ended up as a multi-year legal battle (between different parties exercising preemptive right simultaneously) and ended with a settlement.

2003

FOCUS ON REAL ESTATE

- After completing the restructuring and highly profitable exit from the ISZH investment, Gábor proposes concentrating on the real estate business and building a property development and investment company.
- A focused new business line, also under the Futureal brand name, owned in equal shares by Péter and Gábor Futó was



- later established, with less than 4m euros of total capital, to focus exclusively on real estate as main activity.
- Gábor Futó funds his stake in the new business with his ISZH profit share and becomes CEO of the newly formed Futureal real estate business, responsible for strategy, real estate transactions, financial engineering and assembling and leading the team. Péter Futó leads external relations with focus on municipality relations. Tibor Tatár is hired to be director in the new business, later becoming development director for commercial projects, while Tibor Földi continues to lead the residential project.
- The first warehouse deal is purchased and partially sold (Gödöllő).
- The first contact with the proposed Corvin-Szigony urban regeneration project is made, (while Gábor was trying to find a lost dog in district IX). He negotiates a joint venture with a local residential developer (Quadrat) and an eventually unsuccessful bid is made to acquire the development rights and obligations in a public tender. 4 construction companies win the process instead.



2004

**THE GREAT INSPIRATION AND CHALLENGE FOUND:
THE CORVIN PROMENADE PROJECT**

- Not conceding defeat after the unsuccessful bid, in a partially hostile setting, Futureal buys out, step-by-step, the 4 owners of Corvin Zrt. The company was the winner of the public tender for the rights to the development of the largest, city-center urban regeneration project in CEE, located in the biggest slum of Budapest with 95% of the population belonging to the Roma minority and living for decades in deep poverty, majority of the apartments without private toilets, 30 sqm avg. apartment sizes with big families. The initial steps of the buyout required minimal capital as the company was funded with a significant initial cash pool that became available for Futureal as the buyer.
- The massively challenging project was to become „Best mixed-use project in Europe“.
- Launch of the planning process of the mixed-use Corvin Promenade project involving several leading local architects and also the Harvard Design School.
- Gábor finds the opportunity and leads the purchase of minority stakes in the Budapest Wholesale Fruit and Vegetable Market at a very attractive prices (initially from Masped, followed by 2 further transactions) and an investment into the Bulgarian voucher privatization of Bulgartabac and BTC. Each of these investments produced over 10x returns.

2005

BUILDING A REAL ESTATE DEVELOPMENT COMPANY

- Assembly of an amazing team of young professionals, people that love the challenge of turning Corvin from a problematic slum into a flourishing city center all with very limited capital invested in the business.
- New team members include Pál Darida to manage bank financing, József Balogh to lead the technical department.

- Creation of CORDIA as a separate B2C brand for residential projects, while Futureal to focus on commercial projects.
- Péter works with the municipality to allow the refining of the masterplan according to Futureal's suggestions, while Gábor renegotiates the Corvin urban development agreement with the municipality.
- Intensive branding and marketing activity is launched for Corvin Promenade, lead by BrandArt, the design and marketing agency owned by Zsuzsa Futóné Szántó.
- Futureal creates a large-scale land development joint venture on Madárhegy.

2006

**THE BIG DEAL THAT PRODUCED 30X RETURN AND
TURNED FUTUREAL FROM A START-UP INTO A
MAJOR PLAYER**

- Gábor envisions a covered shopping promenade at the entrance of the Corvin Promenade project (to draw people in from the metro station), lacking retail expertise and capital to fund it, he starts negotiating a joint venture with Morgan Stanley owned Multi Development.
- After feeling that times are too good to be true (with 100%+ leverage and soaring real estate prices across the world indicate a financial bubble), he switches to another potential partner that is willing to forward purchase the future retail complex and negotiates the forward funding and forward sale of the future Corvin Plaza to Klepierre S.A.
- The transaction was de-risked with Futureal eventually taking no leasing, yield or financing risk, investing no equity (beyond the building permit) and was negotiated to include the forward payment the majority of the profits at the time of the building permit.
- This was to become one of the largest and most profitable real estate transactions in CEE.

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- The deal, creating an over 30x return on the total capital ever invested in Futureal was to become a defining moment in the history of Futureal Group, turning it from a small real estate startup into a major player and creating not only the financial basis to develop Corvin, but also to plug in the holes and survive the Global Financial Crisis, to later expand to new markets and also to set up a family office.

2006

THE REALIZATION OF A GREAT DREAM BEGINS

- Start of construction, initial sales (most successful in Ireland) of the first residential building (Premiere Haz) and the first office building (Corvin One) along Corvin Promenade.
- Struggling to make customers and tenants ignore the current slum with horrible reputation and massive poverty and to buy in to the future we have imagined.
- Helping the structuring and financing of the largest social housing project (by the municipality) since the fall of socialism to help support the evacuation of existing buildings to be demolished, start of the renovation of several remaining historical buildings.
- Eventually 1100 local families will be moved out and be either compensated with cash or relocated in the same district to better condition renovated or new social apartments, significantly improving their living conditions.
- Planning of the Promenade, the newly created public space that is to become the heart of the project.

2007

HARVESTING THE BIG DEAL AND THE START OF EXPANSION

- The first phase of the Klepierre deal is closed, bringing in a pre-payment of over 100 million euros of the project profits and ensuring the financial basis for expansion as well as the set-up of a separate family office.
- Expansion to Romania to develop shopping centers in a joint venture between Gábor and his brother-in-law, Eran Socher. They manage to derisk the development of the Gold Plaza shopping center development (to be developed in Baia Mare, Romania) by forward selling the center to Immoeast AG even before the actual purchase of the development land and drawing 80% of the required equity from Immoeast AG (beyond the MKB senior financing).
- Using the proceeds of the Klepierre exit, the land assembly and the long planning process for the future Etele Plaza and Budapest One offices begins at a location that is envisaged to become the largest multi-modal transportation junction in Budapest when the new metro line will open (eventually with a massive delay).
- Several residential projects are launched.

2008/2009

THE GLOBAL FINANCIAL CRISES HITS

- The GFC begins upending the expansion plans, creating an extremely deep economic and financial crises.
- Even though all of the group's debt is non-recourse, a conscious decision is made not to default on any bank debt, pay the subcontractors of our bankrupt general contractors and to complete all our projects.





- Continuation of all projects during the GFC, bankruptcy of all, but one of our general contractors, resignations by clients from sale and lease agreements, massive issues in bank financing and strained exit arrangements.
- The development of Corvin Plaza, Gold Plaza, Corvin One office building and all residential projects are progressing amid a massively challenging economic and financial environment.

2009

TAKING ADVANTAGE OF THE PUBLIC MARKET OPPORTUNITIES

- Gábor launches Finext Capital, a family office funded by distributing part of the profits of the Klepierre deal.
- Finding better return opportunities in the public markets than private markets, Gábor moves into financial investing, taking advantage of dislocations in listed bonds, personally pursuing activist strategies in closed-end funds (e.g. Castle Private Equity) and real estate companies (e.g. Meinl European Land), investing in dislocated bonds (e.g. OTP perps and Prologis Europe), generating well over 50% IRR in the next few years. He also buys 2% of Bank of Georgia that will end up being another 10x investment.
- The big miss: Gábor leads the acquisition attempt for the control of Conwert Immobilien AG, Austria's then largest residential landlord with 24.000 rental apartments in Austria and Germany at an extremely depressed valuation by offering Futureal's resi business. The deal falls apart at the last stage when Conwert's share price doubles in a month.

From 2010 on

DELIVERING ON OUR PROMISES

- Handover of several projects including Corvin Plaza, the next 4 office towers on Corvin Promenade, Gold Plaza, leasing up during the GFC, the Euro Crisis and Hungary Crises.
- Reorganization of the company focusing on finding new opportunities in an extremely difficult market.

2011-2012

SEPARATE INTERNATIONAL ENTITY ESTABLISHED INVESTING WITH FOCUS ON DOWNSIDE PROTECTION AND SPEED, FIRST ENTRY TO POLAND, PARTNERSHIP PROGRAM LAUNCHED

- After the GFC and during the euro crisis, Gábor wanted to begin international expansion, in which Péter Futó did not want to take an active role or to invest as much of his capital as Gábor wanted to.



- The group was reorganized with the separation of the Hungarian real estate operations focused under Futureal Development Holding (FDH) owned 50/50 by Gábor and Péter and a separate holding entity, Futureal Real Estate Holding Ltd. (FREH) was designated, with 75% funding by Gábor and 25% by Péter, focusing on international expansion with a special focus on partnership deals.
- The international expansion of FREH begins by the launching a preferred equity partnership program with the aim of jumpstarting good quality, frozen projects in CEE and securing protected downside, negative land basis.

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- Preferred equity recapitalization of the stuck Nova Park shopping center development in Poland, raising of 50m euros of development finance during the Euro Crisis.
- Preferred equity investment into the projects of a financially distressed listed Polish residential developer (Gant).
- Agreement with KPMG to build their new headquarters (Vision Towers) at a site not yet owned by Futureal, the launch of our first office headquarters development project.

2013

CROSSING THE ATLANTIC

- As an altogether separate real estate venture, Gábor, together with Eran Socher, his brother-in-law, launches a single family residential rental platform in the U.S.A under the "Cordia USA" brand in Atlanta, Indianapolis and around Detroit as part of a macro bet to take advantage of the residential market dislocation caused by the GFC.
- Several development co-GPs investigated, investment in office and strategic land projects in the U.S.A. beyond single family residential.



- Finext Capital investment advisory team hired in Herzliya, Israel.
- Handover of second phase of Corvin Promenade.

2014

MOVING FORWARD

- Sziget Center, Futureal's first retail repositioning project is acquired (a strip mall) at a very deep discount.
- Agreement to develop the 25.000 sqm GLA build-to-suit research and development headquarters of Nokia Systems, activating the other end of Corvin Promenade.
- Preparing for the launch of our own residential development business in Poland with the acquisition of the site of Cystersów Garden.
- Handover of Corvin Corner, the 6th office building on Corvin Promenade, Vision Towers (KPMG). Handover of Nowe Bochenka in Krakow, next phases of Corvin residential phases.

2015

A NEW DAWN: RE-BUILDING CORDIA IN HUNGARY, EXPANSION TO POLAND, ROMANIA, GERMANY

- After 6 years of a frozen residential development market in Hungary, with limited development activity (only 1 on-going project), Cordia is re-invigorated with an internal slogan "speed", a massive push expanding its land bank and team to be ready to what Gábor and Tibor rightly suspected to become a massive residential development boom.
- Start of FREH's own operations in Poland, first in Krakow (under the Cordia brand).
- U.S.A. single family residential portfolio marching towards the 500 unit target.
- FREH implements Futureal's first residential rental investment in Germany (the acquisition of 5 buildings in Kaiserslautern) with an Israeli partner.
- A highly structured mezzanine discount loan investment by FREH into Caelum's stake in the massive, 70.000 sqm GLA ParkLake Plaza shopping center development joint venture with Sonae Sierra in Bucharest, Romania.

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2016

FULL SPEED AHEAD, A FINANCIAL INNOVATION TO DRIVE CORDIA AHEAD – THE SECURITIZATION OF PROJECT DEVELOPMENTS

- Handover and exit of Nokia Skypark and Sziget Center, producing exceptional returns.
- Launch of the 2-phased Advance Tower office development in a joint venture with the landowner.
- As a major financial innovation, Gábor Futó with Rezső Ezer develop a securitization vehicle for Cordia's portfolios of de-risked residential development projects with major co-investments by local and international institutional investors. The model becomes the initial financial engine fueling the growth of Cordia.
- Establishment of CORDIA INTERNATIONAL ZRT. a newly created corporate entity focused on the Hungarian residential development activities of Futureal Group under FDH.
- Starting the sales of 1500 new smart homes in Budapest.

- Péter negotiates the “plaza stop” relief, allowing Futureal to develop Etele Plaza.



2017

FURTHER INTERNATIONAL EXPANSION

- Launching the development of the first phase of Budapest One, the largest office building in Budapest and the cornerstone project of the South Buda City Center traffic oriented urban regeneration project.
- Cordia enters Warsaw with the launch of Rodziewiczówny and Kopalniana projects and TriCity with the acquisition of Jaskowa Dolina project.
- Cordia enters Bucharest, Romania with the launch of the two phased Parcului 20 Projects.



2018

THE NEXT BIG DEAL, RECYCLING CAPITAL TO FUND FURTHER GROWTH

- Gábor negotiates the sale of all existing office buildings on Corvin Promenade to OTP real estate funds and forward sells Corvin 5 and Corvin 6 office buildings in the largest office deal ever completed in Hungary.
- Launching the construction works of Etele Plaza, the largest shopping center of Buda.
- Futureal exits Kaiserslautern and ParkLake Plaza, producing exceptional returns.
- Futureal becomes a founding investor of ARGO Properties N.V. with co-investors including Clal and Phenix Insurance companies. Argo becomes a rapidly growing German residential landlord, focused primarily on Leipzig and Dresden.
- Cordia launches a second securitization vehicle, now also with international projects and marches ahead with numerous residential projects.

2019

GETTING READY FOR THE CAPITAL MARKETS WHILE EXPANDING TO NEW MARKETS

- Strategic reorganization and internal merger of Futureal Group, changing the previous Hungary vs. International split into Residential vs Commercial split and creating unified, recapitalized corporate forms ready for bond market access (initially planned in Poland).
- The newly merged and recapitalized Cordia International Zrt. becomes the residential holding owning all European residential operations (both the developments and the investments), while the newly formed Futureal Holding B.V. becomes the international commercial property investor and developer. Both entities adopt IFRS reporting standards and choose PwC as auditor.

- Cordia International Zrt. conducts its first bond issuance of a 7-year, 4% fixed coupon HUF denominated bond (HUF 44bn) with diverse group of 50 institutional investors participating in the landmark offering.
- Futureal sells Advance Tower to Erste real estate fund and completes the sale of Corvin 5 and 6 office buildings to OTP real estate funds.
- Lead by Tibor Földi and Mauricio Mesa Gomez, Cordia enters Spain with the acquisition of two residential development sites on the Costa del Sol.
- Cordia enters Poznan with the purchase of the old Modena clothes factory in the city center.

2020

GEARING UP CORDIA, CREATING NEW REAL ESTATE PLATFORMS

- Gábor Futó and Rudolf Nemes agree to create a growth-oriented logistics development platform, HelloParks, initially focusing on the Hungarian market opportunity. A market-leading team is assembled.
- Despite the pandemic, Futureal Development secures large headquarters tenants for its next office projects: Vodafone for Budapest One 2nd phase and British Telecom for Budapest One 3rd phase. Long-term financing is secured for the development of these office buildings and near 0% long term swap rates are locked in.
- Taking advantage of the historically low interest rates, Cordia issues its second, 10-year, HUF denominated senior unsecured, 10-year fixed 3.5% coupon bond (HUF 40bn)
- Cordia implements a capital increase of the listed Polish developer POLNORD S.A. effectively taking control of the company at a very attractive valuation and securing a massive, albeit work-intensive land bank. Later on, Cordia takes full control of Polnord through a public tender offer and squeeze-out.

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- Cordia enters the UK residential development market through the acquisition of BLACKSWAN PROPERTY, a primarily build-to-rent focused developer operating in Birmingham.
- Cordia enters the UK affordable housing market through the acquisition of ST. ARTHUR HOMES, a for-profit registered provider of social housing focusing primarily on the shared ownership market.
- The massive Marina City project land is purchased from CIB Bank's workout and funded in a highly structured deal taking advantage of the perfect storm timing when the covid pandemic haunts the markets and the VAT on newly built residential projects is increased to 27% from 6%. The preparation of the next Corvin-scale project is launched with the acquisition of a large land portfolio with 1.2 km of uninterrupted direct Danube waterfront and 2 metro station. The concept development and planning process of the 300.000 sqm MARINA CITY project is launched.
- An over 1m euro donation program is implemented to help cities cope with the challenges posed by the Covid-19 pandemic. The group moves to home office and introduces the Stay Safe initiatives.



2021

GEARING UP FUTUREAL, LAUNCHING AND GROWING NEW REAL ESTATE PLATFOR

- Futureal locks in historically low interest rates by conducting 4 successful bond issuances, including a 10-year green bond and a 15-year bond, both HUF denominated, fixed rate senior unsecured bonds with coupons of 4% and 3.5% respectively in the total amount of over 300m euros.
- HelloParks is further capitalized by Futureal Holding B.V., strategic land positions are acquired around Budapest, supporting a close to 1.000.000 sqm GLA development pipeline and the "megapark" strategy is developed.
- Futureal Investment Partners is launched: Gábor Futó and Karol Pilniewicz agree to set up an opportunistic real estate investment management platform. A highly experienced investment team is assembled.
- Futureal Development secures IBM's headquarters as anchor tenant for the Corvin 7 office building. Long-term financing is secured.
- Futureal's largest retail project, Etele Plaza opens its door.



- Cordia expands its UK social housing investments with the acquisition of AUXESIA HOMES a for-profit registered provider of social housing focused on the shared ownership and the affordable rentals tenures.
- ARGO is listed on the Tel Aviv Stock Exchange in a highly successful IPO.

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2022

GROWING THE PLATFORMS, REACTING TO THE DOWNTURN AND THE NEW MACRO ERA

- Futureal Investment Partners acquires two shopping centers (Bemowo in Warsaw and Manhattan in Gdańsk) as well as an office building (Wratislawia in Wrocław) for repositioning.
- HelloParks achieves leadership position and over 40% market share in the new logistics and industrial developments around Budapest. Megapark level, multi-phase financing agreements are signed with Erste, Raiffeisen and KBC Banks.
- Futureal Development hands over the remaining two phases of the Budapest One office building.
- Cordia hands over several major projects across Poland and Hungary, including Grand Corvin, the last residential building along Corvin Promenade and progresses the construction of thousands of apartments in the 5 countries where it operates.
- Marina City land development phase is completed after several land transactions and the achievement of a zoning plan, building permits are submitted for several phases.
- Tomasz Lapinski, Cordia's country manager in Poland, leads the intensive restructuring of Polnord S.A., including the land development of the strategic land plots in Warsaw and TriCity, the sale of the non-strategic land bank and the taking private of the company.
- Responding to Russia's war on Ukraine, over 1 million eur aid program is launched to help Ukrainian refugees and several internal initiatives are launched, including kindergarten, temporary accommodations (used by thousands of refugees), storage facilities to help cities with supplies, etc.
- Significant cash reserves are created in anticipation of stormy seas ahead.



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2023

RECORD HOME SALES AND FURTHER INTERNATIONAL SUCCESS

- Futureal acquired the 40,000 sqm Lipowy Office Park complex in Warsaw as part of the company's "Office Impact Strategy" office repositioning initiative.
- The second and third phases of the Budapest ONE office building earned one of the highest sustainability certifications, BREEAM Excellent, after a comprehensive evaluation of the entire development process.
- The Psota Irén Memorial Park and its stainless steel sculpture were inaugurated at the entrance of the Corvin Innovation Campus, extending the Corvin Promenade.
- Cordia International sold its 10,000th apartment this year. This milestone, achieved in nearly two decades of operation, provides homes for around 17,000 residents.
- More than two months ahead of schedule, Cordia has completed the construction of its first luxury residential development in Spain, Jade Tower, which consists of 116 luxury apartments.

- As part of its UK urban regeneration project, Cordia UK has completed the renovation of the listed building that houses its local headquarters, located in Birmingham's Jewellery Quarter.
- HelloParks Maglód MG3 is the first in Hungary to earn BREEAM sustainability standard's most stringent Outstanding certification in the New Construction category among industrial properties in Hungary.



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2024

SPECTACULAR ANNOUNCEMENTS AND THE BIRTH OF A RIVERSIDE URBAN DISTRICT

- Futureal Investment Partners has sold two buildings of the Lipowy Office Park complex in Warsaw to the investment fund manager 1 Asset Management.
- János Gárdai, as CEO of Futureal Development and Shared Services Partnership, as well as Group Asset Management Director, supports the continued growth of the group.
- The Budapest ONE office building has received the highest, gold-level certification from Access4You, recognizing its full accessibility.
- The final two phases of Budapest ONE have achieved the highest, Platinum-level WELL Core certification.
- Futureal Energy, the group's energy trading and investment division, is installing energy storage power plants with a total capacity of 4 MW and 8 MWh storage capacity in Maglód and Fót.
- In the spring, Cordia launched Marina City, one of the largest urban regeneration projects in decades. More than 2,500 apartments will be built on a 14-hectare, car-free site on the shores of Újpest Bay in Budapest. The company also announced the launch of the second phase of Marina City in the autumn.
- Cordia UK has demonstrated outstanding activity in the UK rental market. The company has commenced construction on its first UK rental housing project, The Lampworks. In addition, planning permission has been granted for the company's first-ever shared living project, The Bradford Works, which will consist of 54 self-contained en-suite studios and a number of communal spaces.
- Cordia's first development in Spain, the 116-apartment Jade Tower, has won the Luxury Apartment of the Year award in the sustainability category of Luxury Lifestyle Awards.
- Cordia Polska Finance has completed its second bond issue on the Catalyst platform of the Warsaw Stock Exchange (WSE). The company placed bonds totalling PLN 120.4 million, with a maturity of 3.5 years and a variable interest rate.
- HelloParks' FT1 warehouse facility in Fót is the first in the industrial real estate segment in Hungary to officially comply with the EU taxonomy requirements for sustainable investments.
- HelloParks outreaches 400,000 sqm of delivered industrial warehouse spaces, making the company the third-largest industrial real estate developer in Hungary in terms of portfolio size.

