

French Buildinvest Buys Buildings of Five Nouvelles Galeries Stores

French real estate developer and promoter Buildinvest announced on September 19, 2005 the purchase of the buildings of five stores of the brand Nouvelles Galeries, held by French department stores operator Galeries Lafayette, which were closed in June 2005.

The five stores were located in the city centres of Chateauroux, Epernay, Montargis, Thionville and Saint-Etienne respectively. These stores were less profitable than the Galeries Lafayette's stores located in the major French cities and were closed on June 25, 2005 leading to nearly 300 job cuts.

Buildinvest plans to transform the buildings of the five stores into housing residences. The real estate company will invest over 10 mln euro (\$12.17 mln) for the acquisition and the renovation of the five buildings constructed at the end of the XIXth century and the beginning of the XXth century and which cover a total area of 38, 000 sq m.

Buildinvest will remain owner of the buildings whose ground floors will be rented to different brands, Francois Benais, president of Buildinvest, said. On the upper floors Buildinvest plans to set up housings for students, elderly people or tourists.