

Measuring the social impact of Vicinity real estate portfolio



An academic assessment by HEC Liège

June 2025

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Why this study ?

At Vicinity, we believe that real estate investment must generate positive outcomes that go beyond financial performance. By developing and managing high-quality rental housing in city centers, with a focus on energy efficiency, shared spaces and access to discounted services for tenants, **we aim to create tangible value for society.**

To move from belief to evidence, we commissioned an independent impact analysis from HEC Liège, with a clear objective : **to quantify the social benefits** generated by our real estate portfolio in monetary terms.



Jean-Baptiste Van Ex
CEO at Vicinity

1. Academic team



Marie Lambert

Marie is a Professor of Finance at HEC Liège. She holds a PhD in Finance from the University of Liège and the University of Luxembourg. She is also an invited professor at Université Paris-Dauphine and EDHEC Business School.

Her research focuses on sustainable finance, private equity, and asset management.

Anouck Faverjon

Anouck holds a Master's degree in Economics with a specialization in public policy evaluation from the Paris School of Economics, as well as a Master's in Financial Economics from the University of Edinburgh. She is currently pursuing a PhD in Finance at HEC Liège and Université Paris-Dauphine.

Her research focuses on the impact of ESG rating development on financial markets.



"Collaborating with Vicinity's team was for us an opportunity to develop and apply a methodology that estimates the impact of a real estate fund for the society."

2. Executive summary



The **academic study** was conducted in 2025 by HEC Liège.



The goal was **to translate into financial terms** the concrete social benefits generated by Vicinity's investment strategy.



The study covers **Vicinity's operational portfolio**.

Vicinity's buildings DNA

- **Energy efficiency** | Average consumption 70 kWh/m²/year
- **Shared spaces** | 4% to 5% of spaces dedicated to shared spaces
- **Access to discounted services** | Laundry, insurance, telecom
- **Proximity to transportation and amenities** | Mobiscore > 9.3

Estimated annual social benefits

- **Energy efficiency** | €94,729
- **Shared spaces** | €95,339
- **Access to discounted services** | €36,330
- **Proximity to transportation and amenities** | No estimate at this stage

total	/m ²	/inhabitant	/household
€226,398	€9.57	€299.86	€844.77

3. Methodology

Vicinity is a real estate fund committed to generating positive social impact by designing, developing, and managing high-quality, city-centered, energy-efficient buildings that offer shared spaces and discounted services for tenants.

The social benefits generated by Vicinity's investment strategy can be measured around **four pillars**: the reduction of energy consumption, the proximity to public transportation, the shared (green) spaces and the savings due to the discounted services offered.

We measure the social benefits across 11 buildings from Vicinity's portfolio that were operational by early 2025 (excluding Vicinity's own office spaces).



What's a social benefit?

A social benefit is the positive impact that an action, policy, or investment has on individuals or society as a whole, beyond any direct financial returns. These benefits often take the form of positive externalities – outcomes that improve collective well-being but are not fully captured or compensated by market prices.

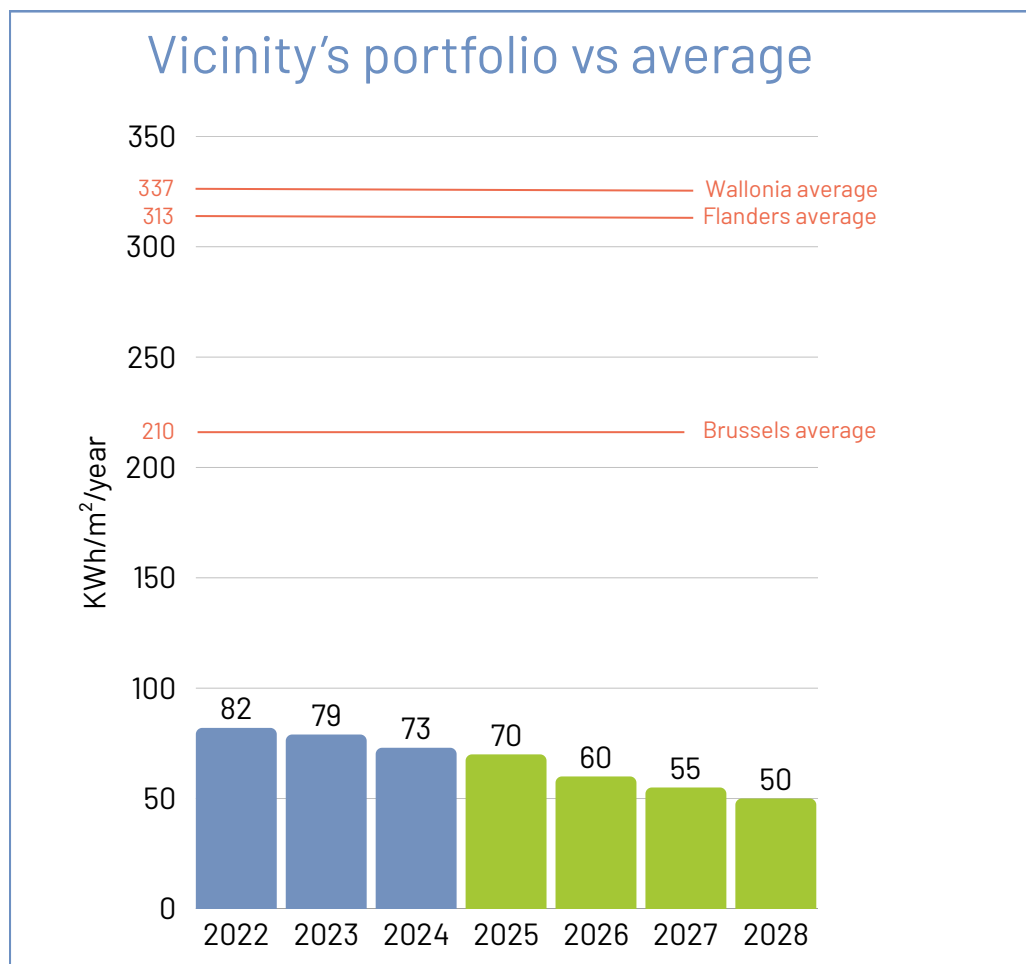
Because markets tend to undervalue or overlook certain resources – such as clean air, affordable housing, or social cohesion – many social benefits remain invisible in traditional cost-benefit analyses.

1. The four pillars creating social benefits

1. Energy efficiency

Vicinity buildings have an average energy consumption of 70 kWh/m²/year well below the regional averages in Brussels (210) and Wallonia (337,5).

Vicinity is committed to reducing the average energy consumption of its portfolio to 50 kWh/m²/year by 2028.



Source : Vicinity, Bruxelles Environnement 2023, Vlaanderen Circulaire 2023, CEHD 2019

2. Shared spaces and green spaces

Vicinity buildings include shared spaces that account for 4 to 5% of the total surface area. These are designed to maximise tenant comfort and allow residents to rent smaller private units without compromising on comfort or access to amenities.



Laundry room



Multi-purpose room



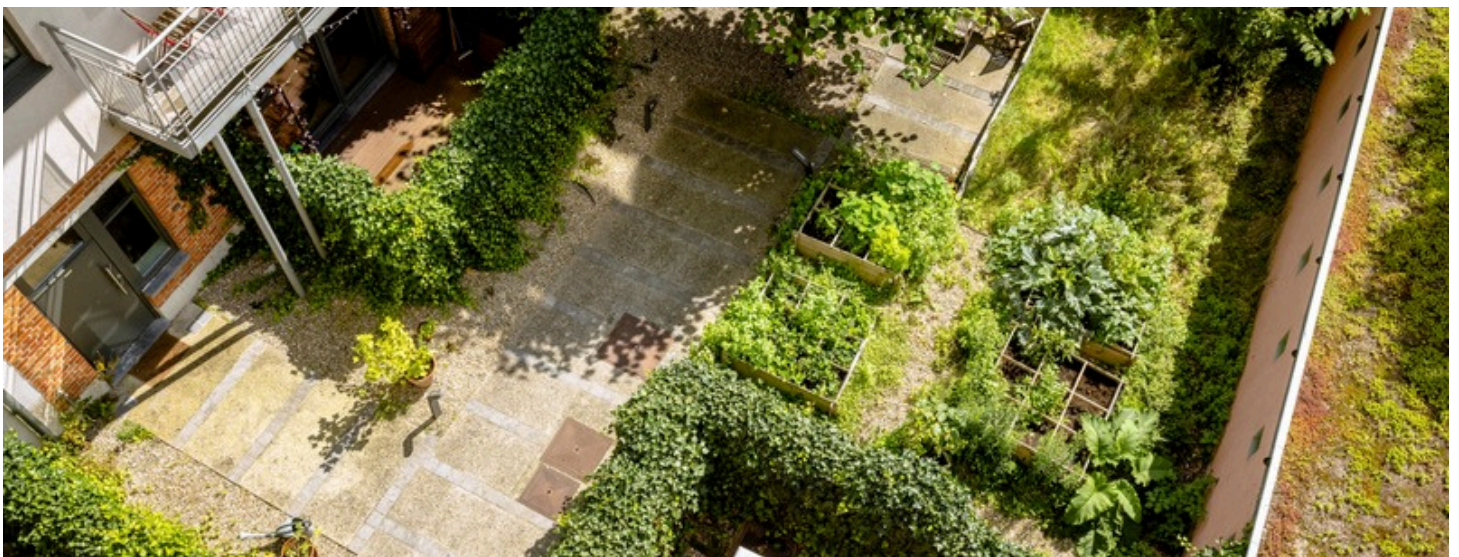
Coworking area



Guest room

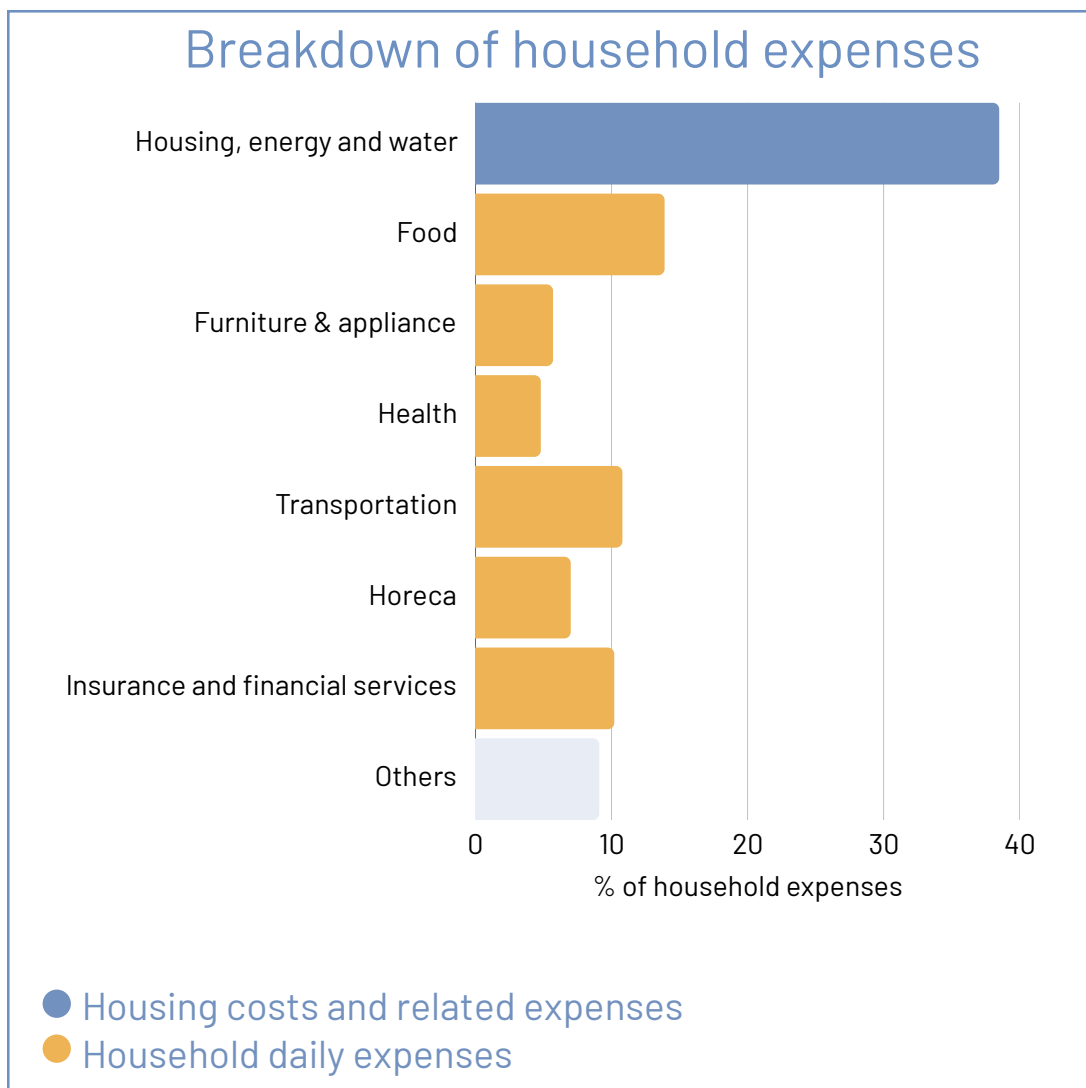


Shared gardens and terraces



3. Access to discounted services

To help lower household expenses, Vicinity partners with trusted providers to offer affordable and convenient services to tenants – including shared laundry rooms (LDL), discounted telecom plans (Proximus), and discounted insurance and benefits (AXA). Upcoming services include discounted home appliances, moving support, and grocery solutions.



Source : Statbel

4. Proximity to public transportation and amenities

Thanks to their central location, Vicinity buildings achieve high Mobiscores – starting at 9.3. With schools, shops, healthcare, leisure facilities, and public transport all within walking distance, residents can easily meet their daily needs without relying on a car. This not only simplifies everyday life, but also encourages more sustainable mobility and helps reduce transportation costs.

Vicinity buildings Mobiscore = min 9.3



2. How the social benefits are estimated

1. Energy efficiency

The social benefit of energy savings is estimated **using the average carbon cost derived from three economic models**: DICE (Dynamic Integrated model of Climate and the Economy), FUND (Climate Framework for Uncertainty, Negotiation and Distribution), and PAGE (Policy Analysis for the Greenhouse Effect). These models evaluate the long-term societal cost of carbon emissions by accounting for their impact on economic welfare, health, ecosystems, and migration.

The U.S. Interagency Working Group (IWG) consolidates these models to provide **standardized carbon cost estimates**.

Methodology

We estimate the social benefits of Vicinity's carbon savings by comparing emissions to regional averages and applying the IWG rate (€48.19/m² per tC in 2025).

Results 2025

1,965.77 tonnes of carbon avoided corresponding to a social impact of **€94,729.04**



2. Shared spaces and green spaces

Two approaches are used to estimate the social value of shared spaces.

The first is based on residents' **willingness to pay** (WTP). Luo et al. (2022) provide WTP estimates for various types of shared spaces, such as green areas, rest zones, amenity spaces, and activity areas. These values serve as proxies for the perceived well-being generated by access to such facilities.

The second treats investments in shared spaces as **a form of public spending**, producing social benefits for all residents. Based on economic literature, each euro invested in public goods is estimated to generate €0.96 in social value.

Methodology

We estimate the social benefits of Vicinity's shared spaces by

- Identifying the shared spaces, matching them with categories from Luo et al., and sum the WTP values to quantify their perceived value.
- Taking Vicinity's annual investment in shared spaces and apply a public spending multiplier (0.96) to estimate the broader social return.

Results 2025

Access to **487 m2 of shared spaces** and **3,790 m2 of green spaces** corresponding to a social impact of **€95,339.16**



3. Access to discounted serviced

Vicinity housing offers discounts on services such as insurance, internet and laundry costs. We consider that these savings in consumption have a similar effect for the inhabitants as a **decrease in consumption taxes**, since both increase the disposable income of the household.

Kilponen et al. (2015) estimate that, in Belgium, a euro decrease in consumption taxes lead to an increase of € 0.57 in GDP. Therefore, we expect one euro of saving to create an additional € 0.57 for the Belgian GDP.

Methodology

We estimate the social benefits of Vicinity's negotiated partnerships by calculating the household savings they generate and applying an income tax multiplier of 0.57 (Kilponen et al., 2015).

Results 2025

**€ 63,736.91 saved per year
by the households**
corresponding to a social
impact of **€36,330.04**



4. Proximity to public transportation and amenities

The social costs and benefits of different transport modes are valued using estimates from Gössling et al. (2019), who calculate a cost of €0.11/km by car, and social benefits of €0.18/km for walking and €0.37/km for cycling. These values account for **multidimensional externalities**, including environmental, health, and economic factors.

Methodology

To estimate the social benefits generated by the location of Vicinity's buildings, the analysis uses the Mobiscore index, which correlates urban accessibility with car dependency.

Results 2025

According to the study by Van Eeno et al. (2022), **only a substantial difference in Mobiscore has a measurable impact on car usage**. As Vicinity's Brussels buildings are all located in areas with similarly high accessibility, we consider that proximity does not significantly reduce the number of kilometers travelled by car. For the other buildings, the Mobiscore does not exist, which prevents any comparable assessment.

Next step

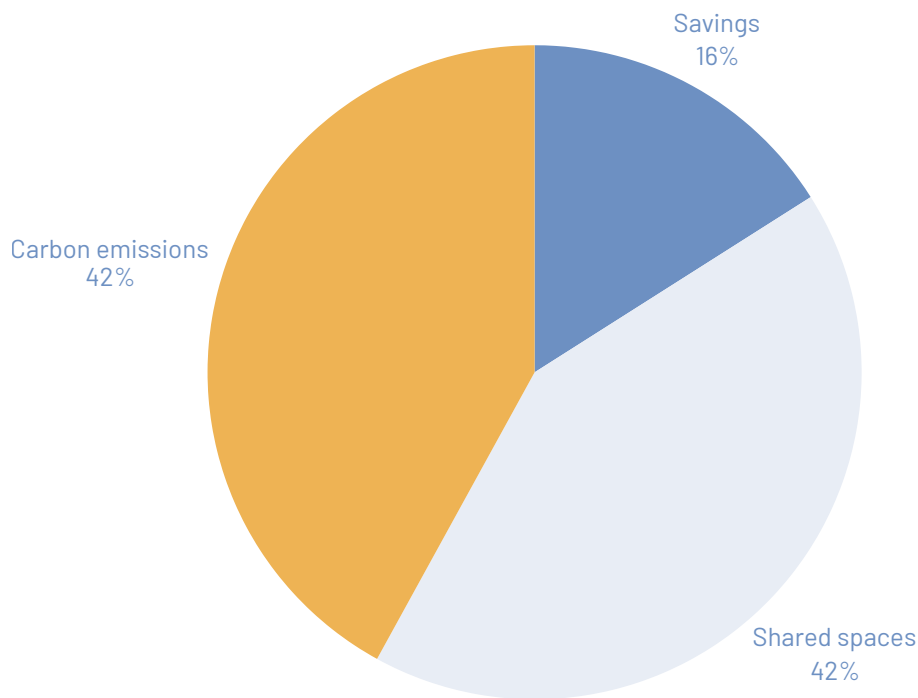
To estimate how mobility behavior differs for Vicinity's residents, we need to compare the number of kilometers travelled by mode of transport between Vicinity's inhabitants and the broader population.

3. Conclusion

For 2025, the total social benefits of Vicinity’s investment strategy is estimated at **€226,398.04**, equivalent to **€299.86** per resident.

This analysis shows that investments in energy-efficient housing, combined with shared spaces and tenant-focused discounted services, improve housing affordability while generating significant social value – particularly through reduced carbon emissions and the added value of shared spaces.

Social benefits breakdown



“The case of Vicinity shows that integrating social and environmental factors in the management real estate portfolio delivers economically significant societal benefits. The greenification and affordability of this asset class is essential to reach sustainable development objectives.”

Prof. Marie Lambert
PhD Candidate Anouck Faverjon