

Review of 2008

We would like to review the main activities undertaken by Idealis in 2008. We again used the 2006-2011 business plan, "A Conscious Choice", as our guideline. The business plan and the complete annual report can be found on our website, www.idealism.nl.

Mission

We specialize in renting housing to young people from different cultural backgrounds, coping with an extremely high rate of turnover in short periods, with special attention given to housing quality and a pleasant living environment. Idealis specializes in student housing.

The rationale of our organization (our mission statement) is as follows:

Idealis endeavors to provide suitable housing for students and other focus groups related to education, which wish to rent housing temporarily in Wageningen and Ede.

First-year Students, 2007/2008

First-year students arrive in August and September. Many of them prefer to live near their study location when they start their studies. Graduates and dropouts usually leave during the course of the year, which always creates a September peak. Unlimited intake of first-year students at the beginning of the academic year is obviously not possible. For us and our tenants, this would require an unacceptably large number of vacancies in the spring. We therefore strive for a balanced supply-and-demand situation in which first-year students with travel urgency statements can move in between July and September. All first-year students for the 2007/2008 academic year who wanted to rent rooms with shared facilities (kitchen, shower, toilet) had been housed by around March 1, 2008. As a result, Idealis surpassed its goal of housing first-year students by May 1 of the current academic year. In 2009, we also expect to meet this objective. However, compared to 2008, the intake period for first-year students could be longer. The reason for this is the relocation of Binnenhaven in 2009.

Number of housed first-year students during the 2007/2008 academic year	623
Total number of new tenants (including internal moves)	2,265

International students

In late 2008, Idealis and Wageningen UR decided to expand gradually the number of furnished rooms for international students at Bornsesteeg to 94. This would make Bornsesteeg exclusively international.

Location of furnished rooms:

Bornsesteeg	640
Asserpark	105
Hoevestein	110
Dijkgraaf	197
Haarweg	142
Total number of furnished rooms	1,194

Livability

As a specialist in student housing, with respect to livability, Idealis focuses attention specifically on the large student complexes. These consist mainly of non-self-contained units whereby tenants share facilities. This means that the tenants must expressly make allowances for each other.

We place considerable importance on preserving a good housing and living environment. The tenants themselves, as well as our caretakers and our social control staff member, contribute to this. Where possible, we will support tenant initiatives that contribute to quality of life. Idealis makes every effort to ensure that a majority of tenants can enjoy pleasant and safe conditions in and around their accommodations. To monitor this, we conduct a livability survey every year.

In 2008, a sizeable majority (78.5 %) of all respondents gave a score of 7 or higher for the total livability of their complexes.

Costs relating to livability:

Billed to tenants as part of the service charges	(44.6%)	€ 318,966
Paid for by Idealis	(55.4%)	€ 395,657
Total livability cost		€ 714,623

New building projects

Wageningen UR would like to see an increase in the number of students. This is a realistic goal, considering the national forecast that the number of students in higher education will continue to increase to around 2020; while the number of pre-university students going to Wageningen has increased substantially in the last two years. If this growth in numbers of students continues in the coming years and the intake stabilizes at current levels, it will certainly be necessary to expand student housing.

In 2008, Idealis was primarily occupied with plan preparations for several new building projects.

Complex	Number + type of housing	Expected completion
Binnenhaven	150 units and 30 apartments	December 2009
Burgtstraat/Vijzelstraat	10 city houses with 34 non-self-contained units and two self-contained accommodations	Fall 2010
Rijnsteeg	Maximum of 80 ground-level accommodations with between 300 and 340 units	Fall 2011

In 2003, in the framework of a planned expansion of 1,000 rooms, 30 five-room apartments were built in three months' time on property owned by Wageningen UR (Binnenhaven). The municipality granted a license for this flexible building project, pursuant to section 17 of the Spatial Planning Act (WRO). This entailed permission relating to emergency housing for a maximum period of five years. Idealis has now signed an agreement with Wageningen UR for the purchase of 7,600 square meters of land on the Haarweg. The complex will be permanently relocated to this site in 2009.

In Ede, Idealis would like to build a new complex to compensate for the current Woonstede student rooms, which will be lost when several apartments we lease from our associate, Woonstede, in Ede-Veldhuizen will be demolished.

Maintenance

In 2008, Idealis carried out much maintenance on its complexes. A distinction is made between planned maintenance and unplanned maintenance.

Planned maintenance		€ 6,740,000
Unplanned maintenance		€ 380,000
- Billed to tenants via the service charges	€ 196,000	
- Paid for by Idealis	€ 184,000	

Electricity project

The electricity project was among the largest undertakings, whereby the electrical systems were modernized to meet contemporary requirements. This investment will increase tenant convenience in the future, with reduced energy consumption and environmental impact, along with improved fire safety.

In 2008, we completed the complexes at Oude Eekmolenweg, Asserpark, Dijkgraaf and Marijkeweg. Scheduled for 2009 are the complexes at Hoeverstein, Bornsesteeg, Droevendaal, H14, Boterstraat, Vijzelstraat/Salverdaplein, Oude Bennekomseweg and Haarweg. The project, which was carried out during occupancy, caused tenants considerable inconvenience. We would like to thank them for the understanding they showed in this situation.

Total budgeted costs for the electricity project in 2008/2009 equal nearly € 5 million.

Sustainability

In 2008, the basis was laid for the environmental policy plan. The main pillars of this environmental policy are:

- The energy efficiency of the complexes, the housing and the Idealis office;
- The water efficiency of the complexes, the housing and the Idealis office;

- Environmental awareness and environmentally-friendly conduct of staff and tenants;
- Purchasing of durable goods;
- Sustainable construction;
- Climate-neutral internal organization.

Ecoprofit

In 2008, with the municipality of Wageningen and six other companies and organizations in Wageningen, Idealis worked on environmental improvements for its own organization. For one year, the participants were the monthly guests of one of the Ecoprofit member companies or organizations. In a project plan, agreements were made concerning energy and water efficiency for Idealis offices. In the spring of 2009, Idealis received Ecoprofit certification.

The Environment

In 2008, it was decided to purchase green electricity for all the complexes for which Idealis handles the purchasing. In addition, a start was made in formulating a carbon footprint. The carbon footprint is the visualization of the amount of carbon dioxide produced by Idealis for its internal operations. In 2009, we will investigate ways of further reducing – or compensating for -- carbon dioxide emissions.

Tenants' Consultation

We consider it important to work closely with our tenants (representatives). We attach considerable importance to advice from tenant representatives concerning policy and management, in developing new policy. To this end, we conduct various consultations with the tenant organizations (Association of Flat Consultation for Student Complexes (SFO), along with the Herenstraat/Bassecour residents' committee).

The consultation with tenants (tenant representatives) takes place at Idealis at various levels:

- Management/SFO consultations (twice a year)
- Office/SFO consultations (five times a year)
- In task forces (based on projects)
- Caretaker/staff consultations with the housing services team and tenant representatives

Participation cost:

Participation costs	
Billed to tenants as part of the service charges	€ 44,000
Paid for by Idealis	€ 22,000
	€ 66,000

Customer Satisfaction

Feedback from tenants forms an important basis for developing improvement proposals to verify whether the measures taken have been successful. We are gradually gaining experience in measuring customer satisfaction as input for policy development and for improving service and work procedures.

Feeddex stands for Feedback Index, a barometer of customer satisfaction. New and departing tenants receive a monthly questionnaire by e-mail. The Feeddex office processes these data throughout the year into anonymous online information.

Results of the Feeddex survey:

Number of respondents	1,250
Product	Fair/poor
Price/quality	Fair/poor
Service	Good
Personal service	Good
Reputation	Neutral

As tenants experience the housing and living environment daily, they are in the best position to judge the degree to which they feel comfortable and safe. The questionnaire on livability therefore forms a major objective indicator of the subjective judgment of livability.

Results of the survey on livability:

Number of respondents	1,404
Score for total livability, Dutch students	7.2

Score for total livability, international students	6.6
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The results of both surveys, along with the improvement steps adopted by us for 2009, will be discussed in detail in the memorandum "Analysis of Customer Satisfaction, Feeddex 2008" and in the memorandum "Assessment of Livability". See our website (I am a tenant/customer satisfaction).

Teamwork

Of course, Idealis cannot do its work properly without the cooperation of other parties, including Wageningen UR, the municipalities of Wageningen and Ede, SFO, Platform WERV (Wageningen/Ede/Rhenen/Veenendaal), The Ede Christian University for Applied Sciences, associate housing associations, social institutions and other student housing providers.

Several highlights stemming from this teamwork: determination of future demand for student housing, expansion of student housing in Ede and preparation of new building projects.

Sponsoring

Idealis regularly sponsors good causes. The starting point here is that the causes must relate closely to the mission and focus groups of Idealis. In this way, Idealis annually finances the street theater festival in the framework of the General Introductory Days.

Street theater festival, AID	€ 14,000
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Independent Review

On instructions from Idealis, the research and consultancy office, ECORYS, made an independent assessment of the social performance of Idealis in 2008. The results of this review can be found on our website, along with the concrete actions formulated by Idealis as a result of this review.

Performance fields, social review	Score
Own aspirations and goals	7.4
Tasks in the area of operations	7.0
Assessment of the most important strategic relations	6.7
Financial potential and degree of efficiency	7.0

General conclusion by ECORYS:

Idealis is a recognizable and reliable student housing provider, which achieved a remarkably balanced, above-average score on all four aspects of the social review.

Key Figures

	2008	2007
Number of rental units		
Housing/residential buildings	4,014	4,008
Housing not owned by Idealis (for student housing in Ede)	483	483
Total	4,497	4,491
Rental and collection		
Rent arrears current tenants as % of annual rentals	0.33	0.42
Rent losses as % of annual rentals	1.19	1.48
Financial continuity		
Liquidity (current ratio)	0.47	0.71
Solvency	32.86	36.04
Return on equity	-14.50	-14.54
Return on total equity	-2.05	3.06
Balance sheet and profit/loss statement		
	6,608	7,290
Equity per rented unit		
Reserves per RU	200	-, -
Personnel expenses per RU	481	451
Other operating costs per RU	1.739	1.622
Operating result per RU	-732	234
Financial receipts and expenditure per RU	315	413
Changes in current value of tangible fixed assets	-541	-1.707
Taxes	287	
Annual result per RU	-671	-1.060
Personnel complement		
Average personnel costs (34,41/36.19 FTEs)	74,253	69,606

Financial assessment by the Central Public Housing Fund (CFV)

The public housing capital of Idealis is higher than the minimum required capital set by the CFV; and the solvency assessment is positive.