

PRESS RELEASE

New commercial property fund of Warburg-HIH Invest acquires "Bremer Carrée" together with QUEST Investment Partners

- Core high-street property with a rental space of approximately 12,000 square metres in Bremen
- Joint acquisition with QUEST Investment Partners for the fund "Warburg-HIH Perspektive Einzelhandel: Fokus Geschäftshäuser"
- Internationally recognised and creditworthy anchor tenants at "Bremer Carrée" with long-term leases
- First capital commitments shortly after the launch of the special AIF "Warburg-HIH Perspektive Einzelhandel: Fokus Geschäftshäuser"

Hamburg/Bremen, 21 July 2017 – In a joint venture with the project development company QUEST Investment Partners, the fund „Warburg-HIH Perspektive Einzelhandel: Fokus Geschäftshäuser“ has acquired a commercial building in Bremen. The "Bremer Carrée" features a total rental space of approximately 12,000 square metres in a prime location on Obernstraße in the city centre. Approximately 6,700 square metres of this space, which are almost fully rented out, were acquired by the retail fund. About 5,300 square metres were acquired by QUEST Investment Partners. The seller of this property is Allianz Real Estate Germany GmbH.

The special open AIF "Warburg-HIH Perspektive Einzelhandel: Fokus Geschäftshäuser", launched by Warburg-HIH Invest Real Estate (Warburg-HIH Invest) in July 2017 with a planned investment volume of up to EUR 400 million, generated initial capital commitments within a short period of time and made a quick strategic start on the investment side with the acquisition of the "Bremer Carrée". "The 'Bremer Carrée' perfectly matches the criteria of the fund and offers our investors long-term yield stability," explains Alexander Eggert, Managing Director at Warburg-HIH Invest, who is in charge of product, company and fund management.

The fund "Warburg-HIH Perspektive Einzelhandel: Fokus Geschäftshäuser" invests in fast-growing locations in Germany, including not only the top 7 cities but also major and medium-sized regional centres.

The investment strategy focuses on retail properties in the form of commercial buildings in highly frequented prime shopping locations in the city centre.

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The retail fund aims to achieve a distribution yield of 3.5 to 4.5 percent p.a. (BVI).

"The 'Bremer Carrée', a striking five-storey retail property, is situated in the most highly frequented location of the entire city centre of Bremen. Its location at the corner and its free-standing character make the building highly visible and recognisable. The anchor tenants of this commercial building are the respective market-leading retail concepts H&M, with its Bremen flagship store, and Rossmann," says Hans-Joachim Lehmann, Managing Director at Warburg-HIH Invest, who is responsible for transaction management in Germany.

QUEST Investment Partners sees considerable potential in the approximately 2,900 square metres of currently unlet retail space. "With a new concept, we want to give positive momentum to Bremen's city centre. New labels can help raise the profile and strength of the entire location and building," says Jan Rouven Künzel, Managing Partner at QUEST Investment Partners.

With around 550,000 inhabitants, Bremen is the tenth largest city in Germany. According to population forecasts, it is set to experience above-average growth of a further three percent by 2030. The hanseatic city is the major centre of the metropolitan region of Bremen/Oldenburg.

The building sections acquired by Warburg-HIH Invest at the address "Hanseatenhof 2, 4, 6" were built in 1988 and modernised in 2014. The commercial building comprises approximately 6,700 square meters of rental space, of which around 76 percent are allocated to retailers and 24 percent to offices. A refurbishment is envisaged for the adjacent building section of 5,300 square metres, which was acquired by QUEST Investment Partners. In addition, the City of Bremen is planning a major district development and a number of new leases are to be signed in the pedestrian zone. These developments will further enhance the value of the location in the long term.

Warburg-HIH Invest was advised by the law firm Ashurst on legal and tax matters and by CP Hamburg on the technical purchase examination. The seller was advised on the transaction by JLL and CMS Stuttgart.

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About Warburg-HIH Invest

As a real estate investment manager, Warburg-HIH Invest Real Estate (Warburg-HIH Invest) offers the entire spectrum of national and international real estate investments for institutional investors. It is one of the leading managers of special real estate AIF in Germany. With real estate assets of around EUR 6.3 billion, it boasts a comprehensive track record in the planning and implementation of customised investment solutions. As a high-quality provider, Warburg-HIH Invest realises products and services with an added value. These high standards match the requirements of its shareholders HIH Real Estate and the private bank M.M.Warburg & Co., which was founded in 1798.

Further information can be found online: www.warburg-hih.com

About QUEST Investment Partners

QUEST Investment Partners is a real estate project development and investment company with offices in Hamburg and Berlin. QUEST focuses on investments in commercial and residential properties with upside potential in top locations in Hamburg and Berlin. In retail developments the focus is on good inner-city locations in German metropolitan regions. The QUEST team has extensive experience in the development of high-quality real estate projects and continuously aims at increasing the real estate values of its shareholders and investors. QUEST's shareholders are the managing directors Theja Geyer and Jan Rouven Künzel as well as the investment holding company of the Hamburg entrepreneur Erck Rickmers who is invested in real estate, equity investments and shipping.

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