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+49 (0)30 28 44987 67*Press Release***Warburg-HIH Invest Acquires Five Non-Discretionary Retailers from Rockspring for its Open-Ended Special Property Fund**

- Portfolio worth over c. 100 million euros acquired
- Five properties with a gross lettable area of 43,000 square metres
- Long-term leases with high-net-worth retailers
- Investment fund with faster-than-planned capital drawdown and stable returns

Hamburg, 25 June 2018 – Warburg-HIH Invest has acquired a portfolio of five local convenience centres with a gross lettable area of around 43,000 square metres for its “Perspektive Einzelhandel: Fokus Nahversorgung” investment fund. The properties were sold by Rockspring Property Investment Managers LLP (“Rockspring”), a PATRIZIA company, on behalf of their PanEuropean open-ended vehicle. The purchaser is an open-ended special AIF, set up pursuant to the German Capital Investment Act (KAGB), investing in local convenience centres in West German growth regions, targeting single asset values of 10 to 40 million euros. The intended investment volume will total between 400 and 450 million euros. Approximately 250 million euros thereof represent equity capital. The annual dividend yield is expected to be 4.5 to 5.5 percent. More than 80 percent of the total rent revenues is to come from food retailing. The fund has a lifetime of 15 years, plus an extension option. The minimum subscription amount is five million euros.

“With the transaction, we managed to secure a sound portfolio of highly profitable properties in German growth regions,” said Hans-Joachim Lehmann, Managing Director of Warburg-HIH Invest and in charge of the Transaction Management Germany unit. “We continue to pursue our retail strategy and are bolstering the position of Warburg-HIH Invest as leading provider of investments in Germany retail warehouse parks.”

Stuart Reid, Senior Director of Rockspring, stated: “Following the completion of a number of asset management activities and lease extensions and considering the relative high weighting of the fund towards retail we are pleased to have exited the portfolio at an opportune time in the market to a long term investor of the quality of Warburg-HIH Invest.”



“The acquisition of this portfolio is helping us consolidate the fund’s performance in the best interest of our investors. With the number of properties now already up to ten and the investment total at approximately 200 million euros, we have cleared the half-way mark well ahead of schedule and ensured an amazingly fast capital drawdown for our investors in addition to stable returns. We continue to see the food retailing segment as the main anchor of local convenience centres because it is essentially impossible for online retailers to match its assortments,” said Alexander Eggert, Managing Director at Warburg-HIH Invest and in charge of the Fund Management and Product Management units.

The portfolio sold by Rockspring achieved a price in excess of 100 million euros. The properties, located in Herten (in the state of North Rhine-Westphalia), Bürstadt (Hesse) Sinzheim (Baden-Württemberg), Reppenstedt and Lehrte (both in Lower Saxony), are fully occupied. The ten most important tenants, among them EDEKA, Kaufland, REWE, ALDI, OBI, dm and Penny, account for nearly 75 percent of the annual rental income. With weighted average lease terms of around eight years, they ensure a safe and stable cash flow and supplement the existing fund portfolio, which includes another five local convenience centres in cities in North Rhine-Westphalia (Aachen, Halvern and Bielefeld), Hesse (Usingen) and Hamburg.

About Warburg-HIH Invest

Warburg-HIH Invest Real Estate (Warburg-HIH Invest) is a real estate investment manager serving institutional investors and covering the entire spectrum of national and international real estate investments. Warburg-HIH Invest is one of Germany’s leading managers of special AIF for real estate with c. EUR 6.8 billion in real estate assets of under management. Warburg-HIH Invest has a comprehensive track record in concept designing and implementing bespoke investment solutions. Warburg-HIH Invest, as a quality provider, supplies products and value-added services. These match the quality standards set by both of its shareholders, HIH Real Estate and the private bank M.M.Warburg & CO founded in 1798.

For more details, go to the company’s website at: www.warburg-hih.com/en

About Rockspring

Rockspring Property Investment Managers LLP, part of PATRIZIA Immobilien AG, is a professional investment fiduciary specialising in the acquisition and management of commercial property throughout the UK and continental Europe on behalf of major institutional clients - either directly for single-client accounts or through the Group’s series of tax-efficient, co-mingled investment funds. Originally established in 1984, Rockspring is authorised and regulated by the FCA.

The acquisition of Rockspring was completed in March 2018 by PATRIZIA Immobilien AG, a global provider of real estate investments in Europe, providing PATRIZIA with a London-based fund management hub with a focus on discretionary capital for global clients.

PATRIZIA manages almost EUR 40 billion of real estate assets, primarily as a portfolio manager for insurance companies, pension fund institutions, sovereign funds, savings and cooperative banks and as co-investor.

For further information, please visit www.rockspringpim.com