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Pressemitteilung

HIH Lets 16,000 Square Metres of Floor Space during Q2 2018

- 29 new rentals since April 2018
- Largest single deal involves 6,650 sqm, let to co-working provider
- Lease renewals confirm trend to retain tenancy

Hamburg, 31 August 2018 – In the time since April 2018, the lettings team of HIH Real Estate GmbH (HIH) managed to sign a total of 29 new lease agreements for a total floor area of 16,000 sqm. The single largest deal involved the rental of 6,650 sqm of floor space at the Oper 46 asset in Frankfurt am Main by an internationally active co-working provider. This brings the occupancy rate of the HIH portfolio up to 98.6 percent. In addition, 16 leases for office accommodation with a combined floor area of 19,000 sqm were renewed, with the premises of a federal agency on Süderstrasse in Hamburg accounting for the bulk of it (8,600 sqm).

“The single largest rental by a co-working provider exemplifies the dynamic in this market segment. In some cities, the segment accounts for up to 20 percent of the new rentals,” said Ken Kuhnke, Head of Lettings Management at HIH Real Estate. “The floor space shortage is prompting more and more companies—and not just start-ups and the creative industries but also established, growing businesses in other industries—to fall back on flexible office solutions, often in conjunction with certain projects. We welcome the development and will gladly rent to these occupiers, who are a boon to the office market and generate synergy without implying that traditional lettings are in serious decline in Germany. The market will continue to be dominated by classic companies even if these will make increasing use of the services and accommodation provided by co-working operators in good locations.”

The stable economic situation and the growth in new jobs have ensured that office space requirements remain on a high level, even outside inner-city locations. “Many tenants are therefore seeking to extend their lease agreements prematurely in order to ensure their long-term tenancy at their current place of business,” observed Kuhnke, not least with a view to the rent growth that is driven by the short supply of floor space. “For owners and property asset holders, this implies a bright outlook of rising rental income and longer lease



terms.”

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**Ken Kuhnke, Head of Lettings Management/member of the senior management
HIH Real Estate**

About HIH Real Estate AG

For decades, HIH Real Estate (HIH) has pooled the property-related investment and service activities for the Warburg Group. With more than 20.3 billion euros in assets under management, HIH Real Estate is one of Germany's leading real estate asset managers. The company's activities focus on portfolio and asset management, as well as on property management, letting, and property development. HIH Real Estate employs over 620 professionals at its head office in Hamburg, its branch offices and in its subsidiaries.

For more details, visit us on the Internet: www.hih.de