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Press Release

HPM Aims for Efficiency Increases in 2020

- Portfolio values consolidated on high level of more than 8 billion euros
- Management mandates for 434 properties with a combined floor area of 3.3 mio. sqm
- Half of all buildings supplied with green electricity or climate-friendly gas

Hamburg, 13 February 2020 – By the end of last year, HIH Property Management GmbH (HPM) reported more than 8 billion euros in real estate assets under management, and thereby consolidated the high level of the previous year. 2019 also marked the tenth time in as many years that HPM scored one of the best customer rankings in the “Office” category of the Bell Management Report. The latest account, acquired by HPM in late 2019, is a mandate by Commerz Real, consisting of eight properties of the Millennium Portfolio which are located in Berlin, Hamburg and Leipzig, and which have an aggregate floor area of around 49,000 square metres. All in, this high-quality provider for commercial property management in Germany had a total floor area of 3.3 million square metres in 434 properties under management by year-end 2019.

In the course of last year, HPM reviewed older property management mandates, renegotiated some of them and divested itself from unprofitable mandates. “On balance, 2019 concluded with another increase in net income for us,” said André Vollbach, Managing Director of HIH Property Management GmbH. Senior management member Christian Kypke, who is responsible for new account acquisition, takes a confident view of 2020: “Our first mandate negotiations this year are making good progress.”

At the same time, the focus has shifted more toward technical project management for need-driven optimisations of commercial real estate. During the refurbishment and upgrading of existing buildings, HPM provides end-to-end project supervision, handling everything from stocktaking, taking care of building-law issues to the structured transfer of buildings back into operation.

By the end of 2019, half of the managed properties were already supplied with green electricity or climate-friendly gas. This helped HPM to push down carbon emissions of the managed properties down by around 12,400 tons per year. “The sustainability angle is steadily gaining in importance for institutional real estate investors and the buildings’ tenants. We plan to intensify the integration of ESG criteria in the best interest



of our clients in future,” said André Vollbach. For instance, HPM has adopted the goal of transitioning all of its properties to green energy suppliers over the next few years. Bettina Höffmann, Member of the Senior Management of HIH Property Management, commented: “While we do know the consumption data of the common areas, we have no way to see past the tenant’s front door. This is why we put a premium on maintaining personal contact with the tenants and on robust advisory, because building occupiers play a decisive role for the building’s carbon footprint.”

Höffmann counts the increased requirements in the area of lettings and certain sub-areas in asset management along with the implementation of digitisation projects among the latest challenges in the industry at a time when contract periods are shortening and the high-skilled labour market is visibly experiencing capacity bottlenecks. At the moment, HPM employs 221 professionals at its seven branch offices in Hamburg, Düsseldorf, Cologne, Berlin, Munich, Frankfurt and Stuttgart.

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**André Vollbach, Managing Director
HIH Property Management**

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**Bettina Höffmann, Member of the Senior Management
HIH Property Management**

About HIH Property Management

HIH Property Management (HPM) is one of the leading high-quality providers of commercial property management in Germany. Our company history dates back more than 130 years. Our knowledge of what investors and tenants need, a reliable network of service providers and the tight-knit cooperation within the HIH Group allow us to quickly and efficiently realise both regular and complex tasks.

Depending on the task at hand, we work in interdisciplinary teams with expertise in the areas of building management, architecture, real estate management, law and IT.

With top customer ratings in the Bell Management report, we have established ourselves as a high-quality provider for



commercial property management. Our assets under management of EUR 8.1 million largely comprise commercial real estate, and we are represented by 221 employees throughout Germany.

More information can be found on the the company's website at: www.hih-pm.de/en