

Properties in economically attractive and demographically stable locations across Germany

PATRIZIA secures latest high-quality retail portfolio for EUR 205m

- ♦ 66-property portfolio consists of 140,000 sq m of lettable space
- ♦ Strong covenants in place with primarily large supermarket chains including EDEKA, Netto and real
- ♦ Off-market acquisition follows recent EUR 400m retail transaction
- ♦ PATRIZIA now manages almost 600 retail properties worth over EUR 4 billion

Augsburg, 6 November 2017. PATRIZIA Immobilien AG announces it has secured its second major retail portfolio in a matter of weeks with the acquisition of 66 high-quality properties across Germany. The off-market acquisition, executed within the framework of a combined share and asset deal, was made on behalf of an individual mandate of a foreign institutional investor; the seller is an international fund based in London. The purchase price is EUR 205 million and closing is scheduled for the end of the year.

“This promising retail portfolio has been secured in our latest off-market transaction, delivering another tailored opportunity for our client base,” says Daniel Herrmann, Head of Fund Management Retail at PATRIZIA.

The properties, with a total lettable area of around 140,000 sq m, are mainly located in economically attractive and demographically stable regions throughout Germany. The tenants are primarily well-known food discounters and hypermarket chains such as EDEKA, Netto and real, which together account for 85 per cent of the portfolio’s rental income. The EDEKA chain alone generates approximately 68 per cent of the total rental income. The remaining average lease term is circa eight years and, at 1.4 per cent, the vacancy rate is extremely low.

This is the second such off-market retail acquisition announced by PATRIZIA in the last few weeks. At the end of September, the company announced the EUR 400m purchase of an 85-property portfolio in Germany. These acquisitions grow PATRIZIA’s retail assets under management to more than 600 properties with a value of over EUR 4 billion, more than half of which are food retail assets. By securing such large, targeted portfolios, PATRIZIA has succeeded in considerably expanding its position in the retail market in recent years. In Germany alone, PATRIZIA is one of the largest landlords of retail real estate with assets including mixed-use commercial buildings as well as specialist retail properties. Through active asset management, PATRIZIA is able to achieve significant increases in real estate value for its clients.

PATRIZIA Immobilien AG:

PATRIZIA Immobilien AG has been active as an investment manager in the real estate market across 15 European countries for more than 30 years. PATRIZIA’s activities include the acquisition, management, repositioning and sale of residential and commercial real estate through its own licensed investment platforms. As a global provider of real estate investments in Europe, PATRIZIA operates as a respected business partner of large institutional investors and retail investors in all major European countries. Currently, the Company manages real estate assets worth almost EUR 21 billion, 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.patrizia.ag.

Press release

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