

PRESS RELEASE

GPEP AND UNIVERSAL-INVESTMENT ACQUIRE 32 RETAIL CENTRES WITH APPRECIATION POTENTIAL

- **Acquisition of German retail portfolio from SPVs, having a total rentable area of around 40,000 m²**
- **Near-term measures planned to achieve full occupancy and enhanced property values on a long-term basis**

Frankfurt, 3 May 2017 – Together with Universal-Investment, GPEP GmbH (“GPEP”) as portfolio manager has acquired 32 retail centres having a total rental space of some 40,000 m² for an institutional investor. The annual rental income from these properties is around EUR 4.0 million. The seller was an institutional fund, who was advised by Jones Lang LaSalle, Frankfurt. The buyers were legally advised by Mayer Brown, Düsseldorf. The parties have agreed not to disclose the purchase price.

The newly acquired properties with appreciation potential are an ideal complement to the largely conservative overall portfolio. The aim is a further yield increase by way of active asset management. In terms of their location, the retail centres are almost evenly divided between West and East Germany, with a focus on Bavaria, Brandenburg, Lower Saxony and Saxony. Around 80 per cent of the tenants are food retailers, 10 per cent are specialised in household goods, and the remaining 10 % use the premises in a variety of different ways. The current occupancy rate is approximately 95 %. The average residual lease term is four and a half years against a background of good locations at largely established retail hubs, attractive alternative concepts and thus interest on the part of tenants.

“Over the past few years, many institutional customers have not only gained experience with their first conservative portfolios of retail centres and retail parks but have also

found increasing recognition. With our first-rate access to the market, including off-market portfolios, we can provide our investors with access to attractive properties having the potential of value appreciation and yield enhancements”, said Marcel Fuhr, Managing Director of GPEP and, among other things, responsible for acquisition as well as asset and property management.

“The optimisation process for an additional – predominantly opportunistic – portfolio starts with the acquisition. We check location, space usability and interest of existing tenants and/or their requirements for a long-term lease. Because of our experience and our network, we strive to further optimise both risk and return of the overall portfolio”, added Herwart Reip, Managing Director of GPEP, whose areas of responsibility also include due diligence, portfolio management and financing.

ABOUT GPEP

GPEP GmbH specialises in the portfolio, asset and property management of retail stores and centres located in Germany. Independent and owner-operated, the real estate management company and its team offer services along the entire value chain for institutional clients, family offices, high net worth private clients, foundations, banks and asset managers. These services range from sourcing, due diligence, business plans including scenario analyses through to purchase and portfolio restructuring up to continuous portfolio optimisation and sale.

GPEP offers investors a variety of investment structures so that investors can benefit from the opportunities of sustainable real estate investments in small to medium-size discount food retailers and retail parks. For investors, this means that they receive top-notch services from a single source, reliable current income and the potential for further capital gains. To this end, GPEP's management uses its unique network and in-depth market knowledge to source attractive investment propositions even beyond the most popular property investment search profiles.

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