

PRESS RELEASE

GPEP AND UNIVERSAL-INVESTMENT ACQUIRE MIXED RETAIL PORTFOLIO OF 49 PROPERTIES

- **Approx. 200 rental units with 90 percent retail use predominantly located at established sites in Germany**
- **95 percent of around 175,000 m² of rental space leased with residual terms of 6.4 years**
- **Since 2015, acquisition of some 270 retail properties for institutional investors totalling some EUR 800 million**

Frankfurt, 14 December 2017 – Together with Universal-Investment, GPEP GmbH (“GPEP”), as portfolio manager, has acquired a portfolio consisting of 49 properties and a total rental space of about 175,000 square metres for an institutional real estate fund. 90 percent of these properties are a mix of conservative retail real estate and properties with appreciation potential. The remaining 10 percent is made up of office, storage and residential space. 60 percent of the portfolio properties are located in the former West German federal states while 40 per cent are located in the Eastern federal states, including Berlin. The geographic focus is on Bavaria, Berlin, Lower Saxony and North Rhine-Westphalia. The occupancy rate of the, approximately, 200 rental units is 95 percent, with the tenants being predominantly German food retailers and complementary non-food outlets as well as some DIY superstores and retail centres for home furnishings. The weighted average lease term (WALT) is about 6.4 years.

The seller is an international investor group. The acquisition is a combination of an asset and a share deal. GSK Stockmann provided the buyers with sophisticated legal and tax advice on the complex issues involved. The sellers’ legal advisors were Goodwin Procter LLP. The parties have agreed not to disclose the purchase price. The transaction is still subject to approval by the German cartel office.

“This transaction, which is the largest and most complex in the company's history, offers a good mix of opportunistic and conservative properties located at mostly long established sites. It is therefore ideally suited to complement the portfolio, resulting in the further geographic diversification of the overall risk. Against the backdrop of a market environment that remains challenging, we expect a very good performance, particularly from those properties that are currently regarded as having an opportunistic approach”, explained Herwart Reip, Managing Director of GPEP GmbH, whose areas of responsibility also include due diligence, portfolio management and financing.

Marcel Fuhr, Managing Director of GPEP and, among other things, responsible for acquisition as well as asset and property management, added: "The real estate market continues to be characterised by high demand while the supply of attractive real estate portfolios is limited. With the purchase of this portfolio, our team and our network have successfully completed another large and complex transaction. We have therefore been able to once again profile ourselves, in terms of transaction certainty, as a fair and highly responsive partner for prospective sellers. Our institutional clients benefit from the resulting high deal flow, which enables us to build portfolios for them in a focused manner".

In total, GPEP has been acquiring retail centres and retail parks having an aggregate value of around EUR 800 million in the current market environment since the beginning of 2015. This corresponds to around 270 properties and total rental space of 685,000 square metres. The most recent acquisitions are expected to be transitioned into management by early March 2018.

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.

ABOUT UNIVERSAL-INVESTMENT

With fund assets in excess of about EUR 350 billion under administration, thereof EUR 292 billion in own vehicles, over 1,000 funds and investment mandates and a workforce of around 650, Universal-Investment is the largest independent investment company in German-spoken Europe. The focus lies on the efficient and transparent administration of funds, securities, real estate and alternative asset classes. The 1968 founded company is headquartered in Frankfurt/Main and has subsidiaries and holdings in Luxemburg and Austria. As pioneer of the investment industry Universal-Investment is now market leader in the areas of master-KVG and private label funds. Owing to the strong growth since starting the real estate business in 2011, Universal-Investment established itself as largest companies for institutional open-ended real estate funds in Germany. According to the 2017 PwC ManCo Survey, Universal-Investment is the largest AIFM ManCo in Luxembourg; among the Third-Party-ManCos, Universal-Investment ranks in second place. (As per 31 October 2017) Please visit www.universal-investment.com for more Information

Press contact

GPEP GmbH
Sylvia Faber
Phone: +49 69 247488677
E-Mail: s.faber@g-pep.com
www.g-pep.com