

Portfolio anchored by Germany's largest food supermarket chains

PATRIZIA acquires 54,100 sqm German supermarket portfolio

- ♦ Portfolio of 19 high quality assets in dominant locations
- ♦ Occupancy rate is 100%

Augsburg, 24 June 2019. PATRIZIA AG, the global partner for pan-European real estate investment, has acquired a portfolio of 19 food anchored retail assets in northern Germany on behalf of one of its pan-European funds from a private Irish vendor.

The portfolio comprises c. 54,100 sqm of high-quality retail space including some 2,300 car parking spaces. Most of the supermarket properties are in northern Germany with many in and around the cities of Kiel and Lübeck. The assets are anchored by Rewe Group and Edeka Group, Germany's largest supermarket chains, which represent 75% of the total rental income. The current occupancy is 100% and the weighted average lease term is 5.5 years. 12 of the properties are occupied by the Rewe Group which has recently completed a major refit of the stores showing their long-term commitment to the locations.

Daniel Herrmann, Head of Fund Management Retail at PATRIZIA, commented: "This transaction provides our investors with access to a high-quality retail portfolio anchored by established German supermarket operators. The strong covenants offered by the portfolio's occupiers underpin an attractive income return which we aim to improve through actively managing these assets. We are confident in the continued strength of the food retail market in Germany, especially assets such as these which are dominant for their locations with high footfall and are defensive against E-commerce retail."

PATRIZIA was advised by K&L Gates and TA Europe. Dentons Europe and Savills Germany acted for the vendor.

PATRIZIA AG:

PATRIZIA AG has been active as an investment manager in the real estate market across Europe for more than 35 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 partner for pan-European real estate investment, PATRIZIA operates as a respected business partner of large institutional investors and retail investors in all major European countries. PATRIZIA manages more than EUR 40 billion of real estate assets, primarily as an investment 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.

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