

# Press Release

## Deutsche Investment Kapitalverwaltung AG

○ Hamburg, 12 July 2022

### Deutsche Investment Acquires “Projekt Saxony” Portfolio of about 820 Units in Leipzig and Dresden

- Deutsche Investment acquired around 820 units from two Luxembourg-based companies
- Portfolio includes 56 properties, largely used for residential rental business purposes
- Transaction was closed on behalf of an individual fund mandate of Deutsche Investment

Deutsche Investment just acquired the “Projekt Saxony” portfolio of 56 properties, dividing into around 820 residential and commercial units in Leipzig and Dresden. The acquisition was undertaken on behalf of an individual mandate of the investment manager.

The properties of the portfolio add up to a total lettable area of around 59,000 square metres, of which nearly 54,000 square metres are used for residential rental business purposes. The occupancy rate across the portfolio assets is currently above 90 percent. The 38 portfolio properties in Leipzig are located mainly in the town centre or in excellent inner-city areas. These generate around 69 percent of the actual rental income of the portfolio, although it should be added that the current residential rent rates fall short of the recognised market rent level. Another 18 properties are located in Dresden, and these account for about 29 percent of the total lettable area of the portfolio.

The majority of the properties date back to the Belle Époque, and are in good repair due to extensive refurbishments and capital improvements. “The properties of this very selectively assembled portfolio are located in districts where we previously invested, so that we are in a position to confirm strong demand and a dynamic rental price trend in these districts on the basis of our own empirical evidence. The acquisition of the ‘Projekt Saxony’ portfolio presented a unique opportunity for us to significantly increase the investment portfolio of our investor in a way that fully complies with the chosen strategy,” elaborated Tamay Demirel, Transaction Manager of Deutsche Investment Kapitalverwaltung AG.

Enver Büyükarşlan, Director for Sales and Transaction Management, added: “The purpose of the acquisition is to stabilise and enhance the asset values through long-term ownership and sustainable management of the proper-



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ties. Within the framework of our fully vertical management approach and true to our maxim to remain close to our properties, we simultaneously made the strategic decision to manage our holdings in central Germany from a local office in addition to the one in Dresden. Starting in July 2022, our group of companies will also provide its property and facility management services from the new branch office in Leipzig, and thereby adherence to the quality standards we adopted for our day-to-day management. The city of Leipzig is steadily gaining in significance. It has followed a remarkable demographic trend in recent years, with favourable downstream consequences for the housing demand. We integrated this insight into our investment strategies early on, and are therefore optimally prepared to provide our 360-degree property management even on a regional level.

Moreover, we already applied our manage-to-green strategy to pave the way for exploiting the sustainable development potential of the assets with every measure we will implement after the transfer of possession. That way, we will position them as an ESG-compliant portfolio in the long term.”

During the transaction process, Deutsche Investment was advised on legal aspects by the law firm GSK Stockmann and by CBRE on the technical expert opinions. EY Real Estate masterminded the sales process while also acting as transaction advisor to the seller.



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### About Deutsche Investment. Investment Manager with End-to-End Real Estate Competence

When it comes to real estate, Deutsche Investment is a reliable partner for institutional investors. Under the umbrella of the Deutsche Investment Group, the company currently employs 250 specialists in six locations to manage c. EUR 2.6 billion worth of assets. In addition to bespoke investment options, the real estate specialist offers its investors a fully integrated and highly professional service performance covering anything involving real estate – including the management of funds, assets, transactions, properties, facilities, and property development. The company always aims for sustainability in its activities and for the high standards it set for itself. This way, Deutsche Investment assumes responsibility both for people and for properties, never losing sight of the future. Through its symbiotic approach to thinking and acting, Deutsche Investment ensures that its investors will keep benefiting from sound investments with balanced risk/return potential, that its tenants will occupy well-appointed properties for a great living and working experience, and that its team members excel in a stable work environment.



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