

Press Release

Deutsche Investment Kapitalverwaltung AG

○ Hamburg, 15 Juni 2022

Deutsche Investment Launches Article-9 Residential Fund “Deutsche Investment – Wohnen ESG I”

- Open-ended special AIF with total investment volume of EUR 500 million
- Sustainable investment ratio of 50 percent or more

“Deutsche Investment – Wohnen ESG I” is the first Article 9 fund launched by Deutsche Investment for institutional investors in the residential asset class. The license from the Supervisory Authority for Financial Services (BaFin) has already been obtained.

The open-ended real estate special AIF will focus on investments in Class A cities and their metro regions plus in selected fast-growth cities. To this end, Deutsche Investment will concentrate on existing properties with sustainable development potential that is to be fully exploited through strategically and economically sensible actions along the lines of the fund’s sustainable development goals. Newly built assets and property developments will be added to the portfolio at a pre-defined ratio. Developments could take the form of infill densification of portfolio properties, for instance.

“Our 360-degree management approach enables us to revitalise standing properties within a three-year period, and to position them for long-term ESG compliance. Our goal is to build up a widely diversified portfolio of standing and newly built real estate, and to provide the option of a speedy drawdown to our investors. With our in-house property development team and our cross-divisional manage-to-green strategy, we are optimally positioned to go beyond the minimum requirements of the Taxonomy Regulation, and to fully exploit the opportunities that present themselves through the development and redevelopment of real estate – and to do so as efficiently as possible,” elaborated Nanette Hoppe, Director for Sustainability and Property Management at Deutsche Investment Kapitalverwaltung AG.

The fund has a target volume of c. EUR 500 million. Out of the asset total, no less than 50 percent are supposed to be invested in environmentally/socially sustainable properties. This will cause the focus to shift particularly to special housing formats with a social angle, such as retirement and nursing homes or student halls of residence.



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The investment ratio for subsidised, rent-controlled or otherwise affordable housing has been set to 20 percent or more. Assuming a core/core-plus risk profile, the fund projects a forecast annual cash-on-cash yield of 2.75 to 3.25 percent on average (over an imputed ten-year term).

Launching an Article 9 fund is one of the components in the sustainability strategy of Deutsche Investment. “We deliberately decided to take a sustainable course of action on all levels of our value chain. We defined targets toward this end across the entire group of companies. Our company will be carbon-neutral by 2025, and our real estate portfolio by 2040. The launch of our first Article-9 fund marks an important milestone within the framework of our action plan. It is now of the essence to implement our carefully planned approach in a target-oriented and consistent manner,” added Dirk Meissner, the CEO of Deutsche Investment Kapitalverwaltung AG.



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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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