

Press Release

Deutsche Investment Kapitalverwaltung AG

○ Hamburg, 3 March 2023

Deutsche Investment Buys around 500 Residential and Commercial Units in Leipzig

- Existing property portfolio in Saxony to be further expanded
- Portfolio includes 16 multi-family houses plus 16 mixed residential/commercial buildings
- Transaction closed on behalf of an individual fund mandate of Deutsche Investment

Deutsche Investment acquires 32 properties with a total lettable area of about 38,000 square metres in Leipzig within the framework of a portfolio deal. The acquisition was undertaken for one of the investment manager's individual mandates.

Among the 32 properties are 16 multi-family houses as well as 16 mixed residential/commercial buildings. Taken together, the 507 units cover a total lettable area of around 38,000 square metres. Around 32,000 square metres thereof are used for housing purposes. The occupancy rate across the portfolio assets is currently above 90 percent. "The properties are primarily located in highly coveted inner-city locations or else close to the university hospital of Leipzig, and are characterised by their convenient access to public transportation and to the central railway station. The locations are attractive not just for local apartment seekers but also for daily commuters. An organically grown infrastructure including doctors' surgeries, day nurseries, schools and day-to-day amenities are available in the immediately surrounding area. The portfolio properties are occupied by a tenant base of many years, and offer a balanced mix of apartment sizes suitable for singles, young couples and families. The low share of retail and office units in the vicinity and the high pedestrian footfall along with the excellent infrastructure boost the appeal of the commercial premises also included in the acquired portfolio. The portfolio therefore blends seamlessly with our existing holdings in the state of Saxony," explained Tamay Demirel, Transaction Manager at Deutsche Investment Kapitalverwaltung AG. During the transaction, Deutsche Investment was advised on legal aspects by the law firm Arnecke Sibeth Dabelstein and in regard to the technical due diligences by CBRE and by Drees & Sommer.

The acquisition is helping Deutsche Investment in its ongoing effort to enlarge its existing property portfolio in



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central Germany. It follows in the wake of several other transactions successfully completed in this region last year. “The housing market of Leipzig showed a remarkably up-beat performance last year. We are aware of an above-average demographic growth, which is driving up the demand for housing accommodation. At the same time, increased financing costs have caused the demand to shift from ownership apartments to rental flats. This pent-up demand caused the median rent to go up by nearly 9 percent at the end of 2022 – a sign that property value in the greater Leipzig area will keep following an upward trend in the years ahead,” elaborated Gilbert Merz, Principal Transaction Management at 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 280 specialists in seven locations to manage c. EUR 3.2 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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