

PRESS RELEASE

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AEW and Catella Asset Management dispose of Dresden office asset

AEW, a leading global real estate investment and asset management platform, has completed the second disposal on behalf of Europe Value Partners (“EVP” or the “Fund”), its pan-European value add strategy. The office asset was acquired in December 2018 in a JV with Catella Asset Management Germany (CAM) and was sold to a private German investor.



The asset is located on Blasewitzer Strasse, east of Dresden city centre, and was acquired as part of a strategy focused on the growth potential in the Dresden market. Located 10 minutes from the city centre by public transport and providing flexible office accommodation, the building was well placed to satisfy the growing demand for offices as a result of the fast growing local economy.

The property comprises a total lettable area of approximately 16,200 sqm over five floors together with 170 basement car parking spaces and at the time of acquisition was significantly under-rented, with a short WAULT providing potential for rental uplift. During the 15 months of ownership, 70% of the leases have been renegotiated increasing the WAULT from 3.5 to 5 years and establishing ERVs some 50% above passing rents at time of purchase.

Russell Jewell, Head of Private Equity Real Estate, commented: “This early disposal has delivered above expectations and underscores our conviction that the European market continues to offer value add opportunities for investors provided you have the capability and network to access them. While transaction negotiations were underway before the onset of COVID-19 pandemic, we’re pleased that it did not impact our ability to complete efficiently and deliver attractive returns. Following another office disposal in Utrecht, the Fund has now returned c.65% of the original equity to investors.”

Andreas Hauff, Managing Director of Catella Asset Management Germany, adds: “Based on our experience in Value Add Investments in general and our expertise in the Dresden market we were able to execute the business plan much faster than predicted. The now stabilized asset will be an excellent long-term investment in one of Germany’s dynamic cities.”

AEW and CAM were advised by Norton Rose.

ABOUT AEW

AEW is one of the world's largest real estate asset managers, with €69.5bn of assets under management as at 31 December 2019. AEW has over 700 employees, with its main offices located in Boston, London, Paris and Hong Kong and offers a wide range of real estate investment products including comingled funds, separate accounts and securities mandates across the full spectrum of investment strategies. AEW represents the real estate asset management platform of Natixis Investment Managers, one of the largest asset managers in the world.

As at 31 December 2019, AEW managed almost €33bn of real estate assets in Europe on behalf of a number of funds and separate accounts. AEW has over 400 employees based in 9 offices across Europe and has a long track record of successfully implementing Core, Value-Add and Opportunistic investment strategies on behalf of its clients. In the last five years, AEW has invested and divested a total volume of over €20bn of real estate across European markets.

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ABOUT CATELLA ASSET MANAGEMENT GERMANY (CAM)

Catella is a leading specialist in property investment management in Europe. We offer institutional and other professional investors attractive, risk-adjusted return via regulated property funds, asset management and project management in early-phase development projects. We operate in nine European countries and have AuM of EUR 9,8 billion. Catella Asset Management Germany, a Joint Venture company between Catella and Kriton is a local, full-service operating partner for institutions, HNW investors, non-resident investors and funds that seek out one-stop solution with property asset management in the German market.

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