

Investment Memorandum

CONFIDENTIAL DOCUMENT

CATELLA



TESSNER OFFICE BUILDING (TOB)
VAHRENWALDER STRASSE 245-247/KABELKAMP 1A-D,
D-30179 HANOVER

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At a Glance

Introduction

Catella Property Consultants GmbH is responsible for the organization and implementation of the sales process of the investment „**TOB** Hanover“, the Tessner Office Building, located at Vahrenwalder Straße 245-247/Kabelkamp 1a-d in 30179 Hanover.

The architecturally impressive, nine-story office complex on Vahrenwalder Straße consists of a total of nine building tracts. The office complex was built in 1993/94 in a square structure on the approx. 20,000 sqm site. The **TOB** Hanover is excellently connected to individual traffic via Vahrenwalder Straße and can be easily and quickly reached by public transport.

Due to the square structure of the **TOB** Hanover, very different office types can be offered or realized to the tenants on a total leasable area of approx. 34,614 sqm. The generous parking space offer in the property's own underground garage with 282 parking spaces and the 156 outdoor parking spaces perfectly round off the flexible office use options of the **TOB** Hanover.

The inner courtyard of the multi-let office complex is overall very attractive for the users and offers a pleasant lounge atmosphere, around the fountain in the inner courtyard and the small outdoor area of the “TOB Restaurant”.

The three anchor tenants in the **TOB** Hanover are the Jobcenter, the Barmer GEK as well as the Techniker Krankenkasse. The job center serves job seekers from the entire Hanover region. The two insurers, Barmer and Techniker Krankenkasse, are among the largest in their respective fields in Germany.

Hanover, the capital of Lower Saxony and the upper center of the Hanover region, is considered the second most important business and administrative location in northern Germany. Hanover is known far beyond the state borders as a trade fair city, but also internationally as a trade hub, service location and industrial site. Hanover is also one of the most important insurance locations in Germany. The Hanover airport and the main train station, which is connected to the ICE network, ensure accessibility by both air and rail.

Hanover's central location, the excellent transport infrastructure within Germany and Europe, the high quality of leisure time and the complementary economic sectors of the entire metropolitan region have a positive effect on the economy and quality of life of the city and its inhabitants.



Key Facts

Address

Vahrenwalder Straße 245-247/
Kabelkamp 1a-d,
D-30179 Hanover

Plot Size

Approx. 20,000 sqm

Total Rental Area

Approx. 34,614 sqm, thereof
Office approx. 94.4 %
Storage/Basement approx. 2.7 %
Gastronomy approx. 2.0 %
Technical areas approx. 0.9 %

WALT

Approx. 6.4 years

(As of 01/2022)

Net Rental Income

Approx. € 4,173,400 p. a. (actual rent)

Approx. € 4,183,600 p. a. (target rent)

Investment

9-storey office complex with 282 underground
and 156 outdoor parking spaces

Year of Construction

1993/1994,
Facade replacement in 2012

Occupancy Rate

Approx. 100 %

Tenants

11 tenants

(Public anchor tenant accounting for 38.8 % of rental income)

Deal Structure

Asset Deal



Investment Highlights



Hanover is the clear leader among German B-cities with approx. 4.6 million sqm of total office space.



Major centre of the Hanover Region with its 21 districts and approx. 1.2 million inhabitants



Strategically well located in a large-scale industrial park with close proximity to the airport and the motorway junction A2/A7



Excellent access to public transport thanks to the "Kabelkamp" tram (U1) and bus stop (line 135) directly opposite



Public anchor tenant with a long WALT of approx. 10 years plus remaining options (2 x 5 years)



Enhanced cash flow security due to the asset's diversified multi-tenant structure



Modern architectural design in excellent condition with prestigious entrance hall and underground car park



Attractive design of the green and outdoor areas as well as the inner courtyard with water feature and plants



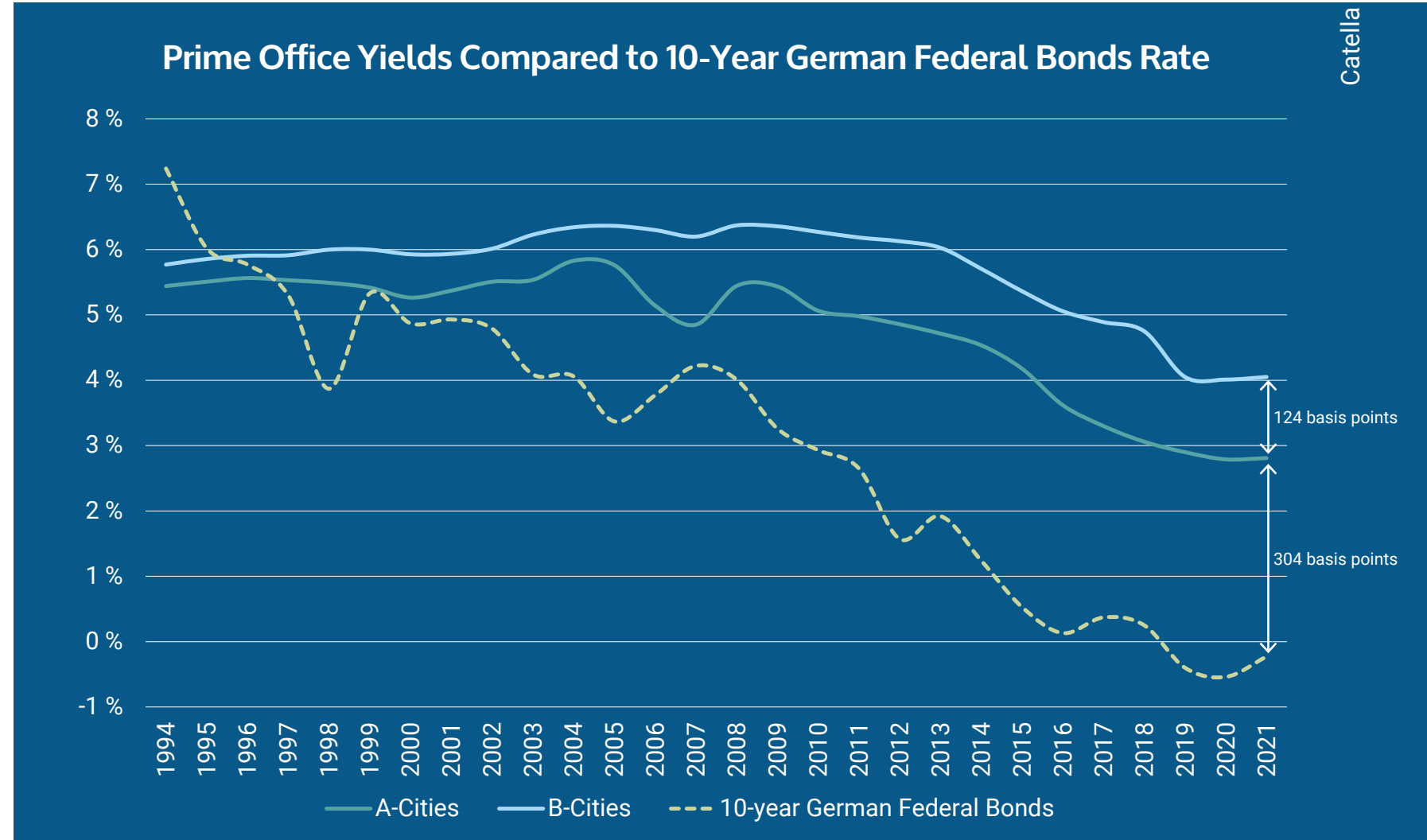
Integrated restaurant with outdoor seating in the inner courtyard is a point of attraction for tenants and the surrounding area



Market Analysis

Germany – Overview

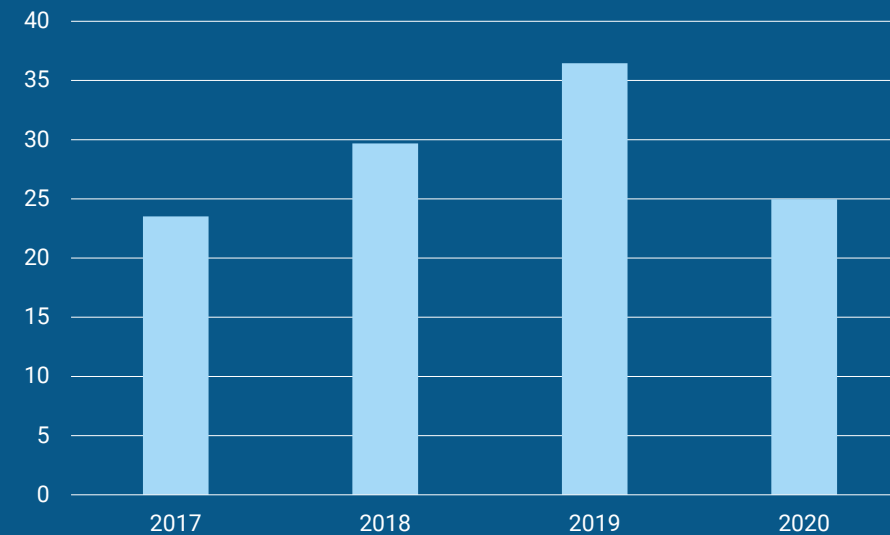
- The ECB reiterated its intention to maintain the current course of loose monetary policy unchanged and to ensure favorable financing conditions until the inflation target is achieved on a sustainable basis. The market does not expect interest rates to be raised in Europe before 2022.
- The FED recently signaled two rate hikes by the end of 2023, with seven central bankers expecting a first rate hike as early as 2022. This increases the likelihood of a „taper“ (reduction of expansionary monetary policy) in the near future.
- The rise in long-term interest rates in recent months has recently leveled off, and the consensus view is that the pickup in inflation is temporary.
- At the end of April, the interest rate for 10-year German federal bonds was -0.2% for the first time since March 2020.



Germany – Commercial Real Estate Outlook 2021

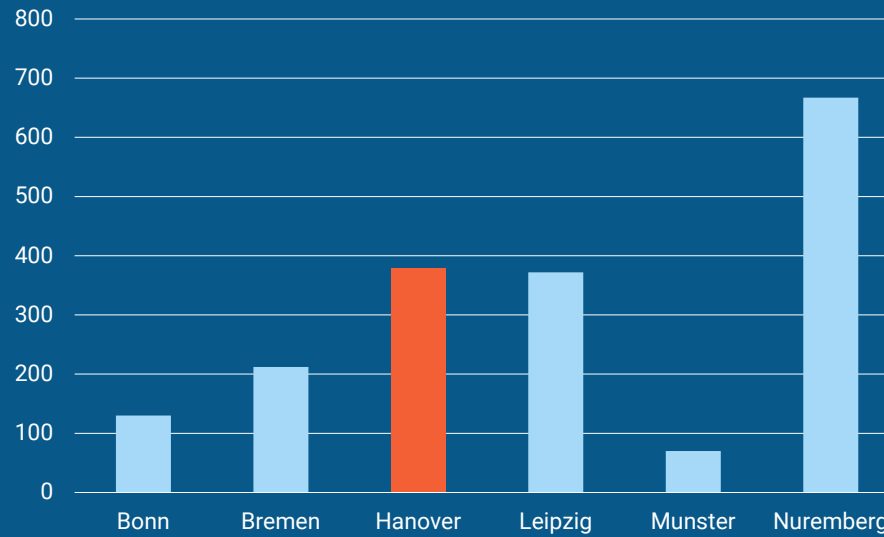
- Investment pressure remains high, as the historic „high-yield government bonds“ are now expiring, free liquidity needs to be reinvested, and at the same time investors are already sitting on liquidity surpluses at negative real interest rates. Although supply is set to increase over the course of the year, the demand overhang on the investment market is likely to remain.
- Risk-averse investors with a focus on long-term stable rental income continue to dominate activity, with core and core+ properties and tenants with strong credit ratings in particular demand.
- Germany as a location continues to be favored by investors, despite ongoing discussions about potential increases in flexible working models, such as home offices, in the wake of the pandemic.
- At € 9.3 billion, the commercial transaction volume in Germany in Q1 2021 was 49% below the record result of the prior-year quarter, but at the level of the ten-year average.
- Q1 2021 was dominated by single transactions, which accounted for 92% of all office transactions. The result is almost in line with the previous year's level.
- Prime yields remain at historically low levels.
- Industrial (12.3%) and healthcare (9%) properties are the clear winners of the first quarter. Retail is off to a subdued start to the new year due to renewed restrictions.

Office Transaction Volume Germany
2017-2020 (€ bn.)

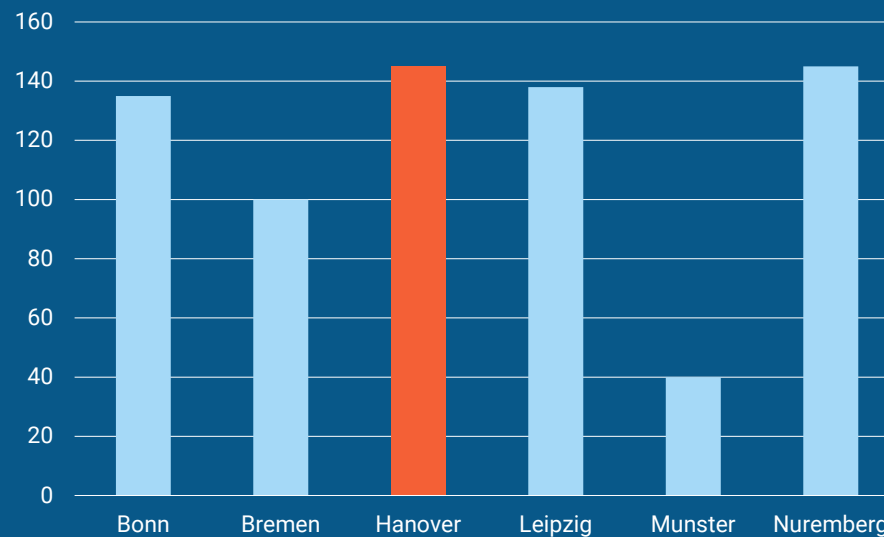


“Investment activity, particularly office investments, is clearly gaining momentum and we expect a commercial transaction volume of over € 50 billion in 2021.”

Office Transaction Volume of Selected B-Cities 2020 (€ m.)



Office Space Take-Up in Selected B-Cities 2020 (thousand sqm)



Germany – B- and C-Cities

- Germany, as a federal republic, presents a decentralized geographic and economic organization. The most important cities – Berlin, Frankfurt Munich, Hamburg and Dusseldorf – are the ‘Top 5 cities’ (Top 7 including Stuttgart and Cologne) and are considered “A-locations”. B-locations refer then to smaller cities that still show a dynamic economy and good opportunities for investment (e.g. Hanover, Mannheim, Leipzig, ...). The classification goes on with C-locations and D-locations, and applies to all asset classes.
- With regards to liquidity pressure and yield compression in the Top 7, the general trend is now to invest in B- and C-German cities, where almost € 4.5 billion transaction volume was recorded in 2020. The Five-year average exceeded by almost a quarter.
- The office properties are by far the most traded asset class, accounting for approximately 50% of the transaction market.
- Despite six transactions over € 100 million in the second half of the year, market activity is mainly characterized by mid-sized tickets, and major declines are therefore observed in the A-locations, with volumes roughly halving, as these benefited strongly from large portfolio transactions in the previous year. This year, the proportion of portfolio investment is only at 8%.
- The popularity of office properties in B- and C-cities among investors should therefore not decline, and similar transaction volume is expected for 2021.

Hanover – General Facts

- Hanover is the second most important economic and administrative centre after Hamburg, with around 50,000 companies.
- Unemployment is currently falling and is in line with the average of the other B-cities. The number of employees subject to social security has increased in recent years. Nevertheless, sales has fallen in many sectors due to the pandemic and unemployment rose accordingly in 2020.
- Furthermore, Hanover experienced a significant population increase between 2014 and 2018, mainly due to a positive net migration. It was not as significant in the surrounding area (the Hanover Region), Lower Saxony or Germany.
- The proportion of 15-29 years old residents is above average compared to other cities in the region or state, which is easy to understand given the number of universities in the city.

„Hanover city and region offers good opportunities to invest in properties, which are not located in A-locations.“

Socioeconomic Data

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Population	512,239	515,377	519,478	524,450	528,879	537,738	540,691	541,773	545,107	543,319	542,668
No. of Employees	385,186	388,867	392,056	397,107	405,054	409,970	416,475	419,153	426,195	n/a	n/a
Employees subject to Social Security	275,847	282,141	290,149	292,731	300,222	308,272	313,018	318,934	324,727	329,083	328,211
No. of Unemployed	29,956	28,846	27,931	28,126	28,682	27,736	26,584	25,163	23,784	23,396	27,281
Unemployment Rate*	11.2 %	10.7 %	10.3 %	10.1 %	10.2 %	9.7 %	9.2 %	8.6 %	8.1 %	7.8 %	9.2 %

Hanover – Office Market

- With an expected stabilisation at a high level in the coming years, Hanover should remain the most expensive B-city in Germany after Bonn, even though prime rents have fallen by € 1.00 per sqm to € 17.00 per sqm compared to the previous year, mainly due to the lack of high-priced new lettings. Even without a pandemic, signs of an economic slowdown at the beginning of 2020 would have slowed down the dynamic rent development of recent years.
- The total vacancy rate and the vacancy rate have fallen continuously since 2012 and have increased slightly in 2020 due to the pandemic. Both values are below the average level of B-cities.
- The employment level on the office market in Hanover is on average 46 % higher than that of other B-cities (in terms of jobs subject to social insurance contributions). The number of employees has risen steadily over the past ten years, with a slight decline in 2020 due to the pandemic.
- Demand for office space stabilises at a high level in 2020, while the supply of space is quite low - the highest demand is in the city centre. Around 400,000 sqm of new space is planned in Hanover by 2023 through new developments and refurbishments.

Office Space Stock and New Additions (sqm)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Office Space Stock*	4,442,338	4,512,690	4,508,845	4,516,317	4,528,600	4,548,221	4,541,583	4,528,613	4,541,417	4,546,752	4,558,662
New Office Space	13,840	75,517	11,355	23,735	46,500	40,075	22,955	11,970	32,840	44,460	16,900
Share of New Additions	0.3 %	1.7 %	0.3 %	0.5 %	1.0 %	0.9 %	0.5 %	0.3 %	0.7 %	1.0 %	0.4 %
Office Space per Employee	26.9	27.0	26.1	26.0	25.5	25.6	25.4	25.2	25.1	24.8	25.1

* commercial rental space

Hanover – Office Space Turnover and Vacancy

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Vacancy (sqm)	232,900	248,850	264,800	258,650	254,400	237,000	205,000	149,480	140,000	146,000	150,800
Office Space Vacancy Rate*	5.2 %	5.5 %	5.9 %	5.7 %	5.6 %	5.2 %	4.5 %	3.3 %	3.1 %	3.2 %	3.3 %
Office Space Turnover (sqm)	100,000	171,000	125,000	98,000	105,000	120,000	115,000	130,000	173,000	158,000	140,000

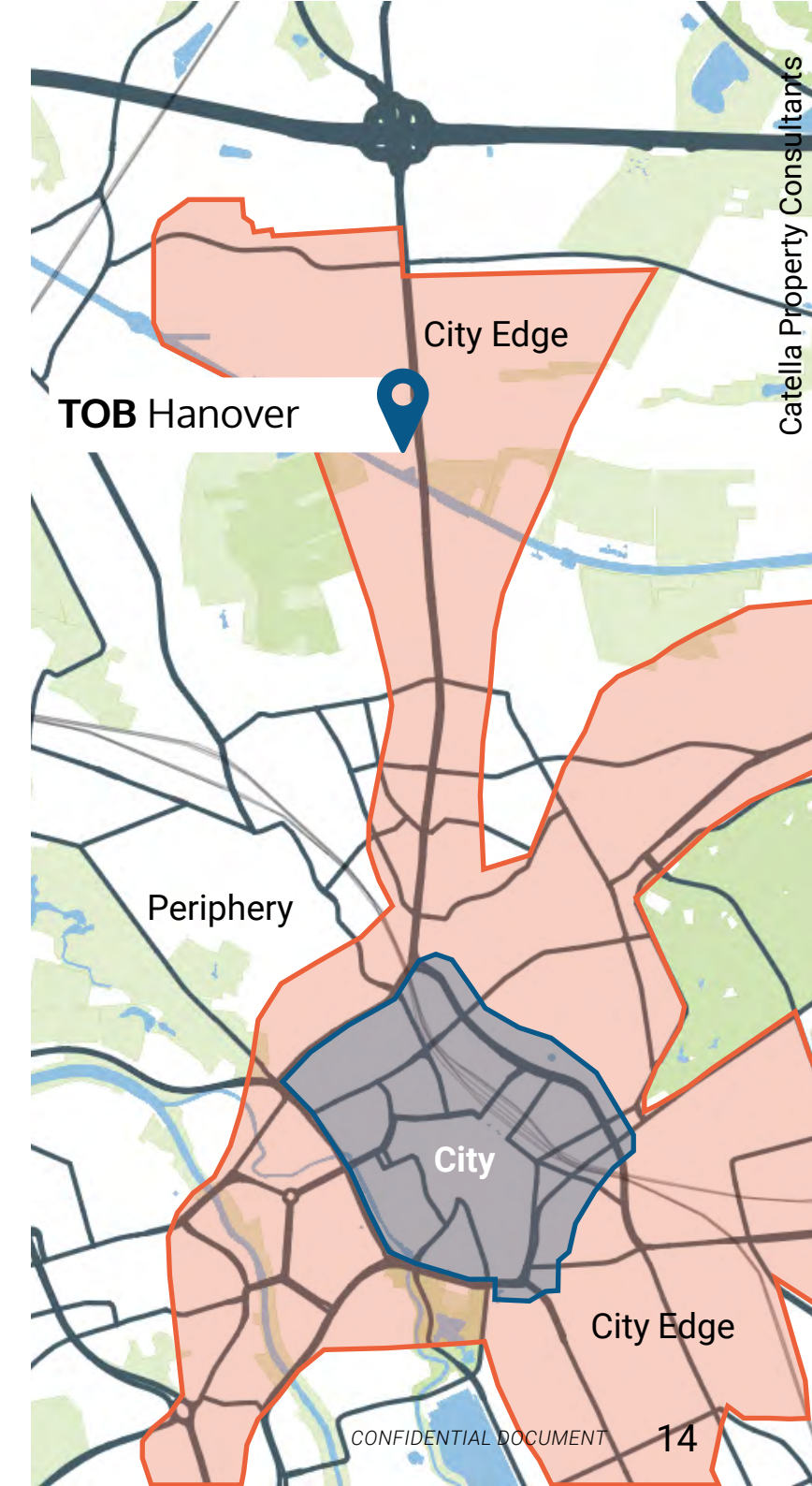
Hanover – Office Market Yields

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net Initial Yield Central Locations	6.2 %	6.1 %	5.8 %	5.8 %	5.6 %	5.2 %	4.7 %	4.5 %	4.3 %	3.8 %	3.8 %
Net Initial Yield Dezentralised Locations	7.7 %	7.7 %	7.7 %	7.7 %	7.4 %	6.8 %	6.3 %	5.9 %	5.4 %	4.8 %	4.8 %

* commercial rental space

Hanover – Office Market Rents (in €)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Prime Rent City	12,80	13,50	14,00	14,00	14,20	14,80	15,00	15,30	17,00	18,00	17,00
Average Rent City	9,40	9,60	9,80	9,80	9,90	10,00	10,20	10,50	11,00	13,30	13,00
Prime Rent City Edge	10,10	10,20	10,30	10,40	10,40	10,50	11,00	13,30	13,50	15,50	15,40
Average Rent City Edge	8,40	8,40	8,40	8,40	8,40	8,50	8,50	8,50	9,00	11,80	11,70
Prime Rent Periphery	7,60	7,60	7,70	7,70	7,70	7,80	8,00	8,00	8,20	8,50	8,40
Average Rent Periphery	7,10	7,10	7,20	7,20	7,20	7,40	7,60	7,60	7,80	8,00	7,90
Prime Rent Office Centre	10,10	10,20	10,30	10,30	10,30	10,30	10,30	10,50	10,60	10,80	10,60
Average Rent Office Centre	7,00	7,10	7,20	7,20	7,20	7,40	7,50	7,60	7,60	7,90	7,70



Office Transactions in Hanover

Name	Address	Date	Rental Space Year of Constr./Renov. No. Buildings/Storeys	Price GIY	Buyer Seller	Comments
1. Green One	Arndtstr. 1, D-30167 Hanover	Oct. 2020	approx. 11,100 sqm 1975/2014 1/8	approx. € 33.4 m. -	Deka Immobilien alstria office REIT	Main building of the Hanover Department of Environment and Urban Greenery
2. Office Building Bothfeld	Podbielskistr. 343, D-30659 Hanover	Jun. 2020	approx. 9,350 sqm 2002 1/8	approx. € 47.0 m. -	DIC Asset ING-DiBa	WAULT of 9 years, part of a portfolio with SAP Tower Eschborn
3. Telekom Office Buildings	Gradestr. 18-20, D-30163 Hanover	Feb. 2019	approx. 26,500 sqm 1994 -/6	approx. € 75.0 m. -	Hamburg Trust und HT Office Top 30 Invest Ashstrom Properties	Off-market transaction
4. Commercial Building Podbi-Park	Lister Str. 6-18, D-30163 Hanover	Aug. 2018	approx. 36,999 sqm 1911/2017 1/6	approx. € 91.3 m. approx. 5.0 %	Dream Global REIT Accom	
5. Office and Commercial Building Vahrenwald	Vahrenwalder Str. 11, D-30165 Hanover	Dec. 2017	approx. 25,000 sqm (6.700 sqm Büro) Q3 2020 -/-	approx. € 57.9 m. -	DWS International LIST Gruppe	DWS via subsidiary Reef Investment
6. Pelikanviertel Old Building Area and Sheraton Hotel	Pelikanplatz 31, D-30177 Hanover	Dec. 2017	approx. 45,000 sqm - -	approx. € 100 m. -	Aroundtown Peaksid Capital Advisors	

Office Transactions in Hanover – Map



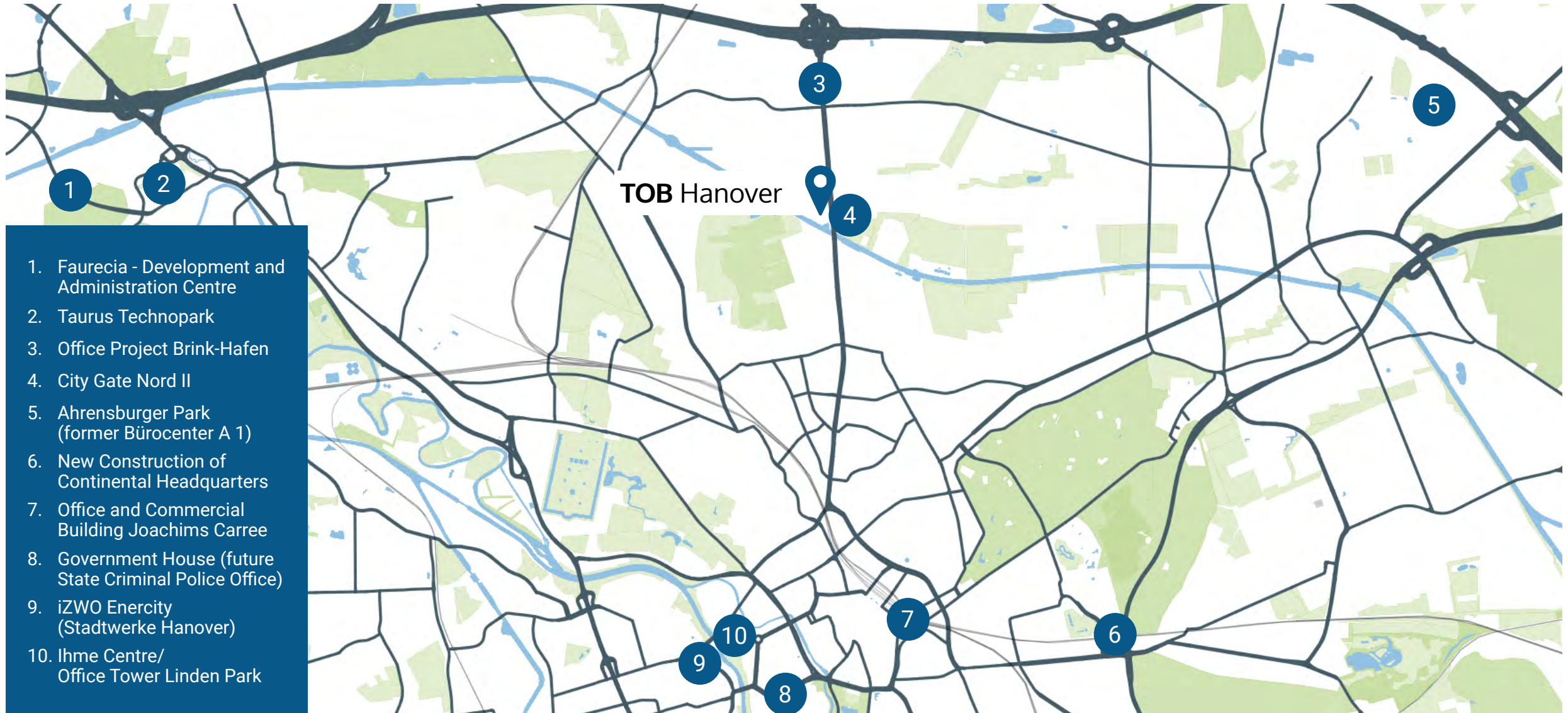
Comparable Transactions in B-Cities

Name	Address	Date	Rental Space Year of Constr./Renov. No. Buildings/Storeys	Price GIY	Buyer Seller	Comments
Office Building Abraham-Lincoln-Park 1	Abraham-Lincoln-Park 1 D-65189 Wiesbaden	Feb. 2021	30,373 sqm 2002 1/6	approx. € 80.0 m. -	Art Invest Aroundtown	
CrefoCampus Neuss	Hammfelderdamm 11 D-41460 Neuss	Jun. 2020	14,200 sqm 2020 -/6	approx. € 60.0 m. approx. 3.6 %	Hanse-Merkur Quantum	
Office Building Frankfurter Str. 50	Frankfurter Str. 50 D-65189 Wiesbaden	Mar. 2020	22,000 sqm 2020 -/9	approx. € 133 m. approx. 4.6 %	GEG DIC Assets	Tenant: BKA
Office and Commercial Building P7	P7 10-15 D-68161 Mannheim	Feb. 2020	6,200 sqm 2014 -/8	approx. € 50 m. approx. 3.7 %	Conren Land D&R Investments	Tenant: Deutsche Bank, et al.
Office Building Hansastraße 15	Hansastr. 15 D-47058 Duisburg	Dec. 2019	28,699 sqm 1997/2000 2/5, 6	approx. € 95.0 m. -	Aviva Investors DIC Asset AG	
TWO	Abraham-Lincoln-Str. 44 D-65189 Wiesbaden	Jul. 2019	16,300 sqm 2018 1/9	approx. € 90.0 m. -	KanAm Grund Development Partner AG (Gateway)	
RWE Tower	Opernplatz 1 D-45128 Essen	Apr. 2019	56,336 sqm 1996 5/30, 6	approx. € 135 m. -	- Global Net Lease	
No. 1 Mannheim	Meerfeldstr. 1-3 D-68163 Mannheim	Jan. 2019	13,000 sqm 2020 1/14	approx. € 76.0 m. -	- Consus Real Estate	

Current Project Developments in Hanover

Name	Address	Rental Space No. Buildings/Storeys	Investment Volume Year of Constr./Compl.	Owner/Project Developer
1. Faurecia - Development and Administration Centre	Pascalstr. D-30419 Hanover	14,880 sqm -	approx. € 50 m. 2021	Faurecia Automotive, Panattoni
2. Taurus Technopark	Garbsener Landstr. D-30419 Hanover	42,000 sqm 2/-	approx. € 100 m. Q4 2023	Taurus Investment Holdings
3. Office Project Brink-Hafen	Vahrenwalder Str. 319, D-30179 Hanover	12,750 sqm -	- 2022	Delta Bau HRG
4. City Gate Nord II	Vahrenwalder Str. 236 D-30179 Hanover	11,000 sqm 2/6	approx. € 50 m. Q2 2022	HRG - Hanover Region Grundstücksgesellschaft
5. Ahrensburger Park (former. Bürocenter A 1)	Ahrensburger Str. 1, 3, 5 D-30659 Hanover	19,420 sqm -	approx. € 28 m. 1992/2021	Bilfinger Real Estate
6. New Construction of Continental Headquarters	Hans-Böckler-Allee 28-30 D-30173 Hanover	40,000 sqm -	approx. € 100 m. 2021	Continental AG
7. Office and Commercial Building Joachims Carree	Joachimstr. 8 D-30159 Hanover	17,600 sqm -	approx. € 25 m. 1971/2021	Getec AG
8. Government House (future State Criminal Police Office)	Am Waterlooplatz 11 D-30169 Hanover	13,500 sqm -	approx. € 64 m. 2024	City of Hanover
9. iZWO Enercity (Stadtwerke Hanover)	Glockseestr. 33, Braunstr., Spinnereistr. D-30169 Hanover	53,000 sqm 2/6	approx. € 90 m. 2022	hanova Unternehmensgruppe
10. Ihme Centre/Office Tower Linden Park	Ihmeassage 3, Spinnereipassage, Ihmeplatz 2 D-30449 Hanover	23,690 sqm -	approx. € 200 m. 1975/2023	Civitas Property Group, Hines

Current Project Developments in Hanover – Map





LOCATION

Hanover – City & Region



Hanover Region

Hanover is not only the state capital of Niedersachsen but also the major centre and administrative headquarters of the entire Hanover region, which with its 21 cities and approx. 1.2 million inhabitants is one of Germany's biggest urban centres.



International Fair City Hanover

More than 70 years ago, the history of the aspiring fair city began. Today the exhibition site comprises 24 halls or approx. 392,450 sqm and is the world's third largest trade fair after Shanghai and Frankfurt (based on gross exhibition space).



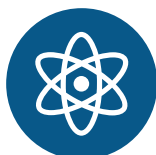
Well-known Companies

Well-reputed and globally active players, such as Continental, TUI, Talanx, Hannover Rück and Swiss Life Select, have chosen Hanover as their HQ.



Diversified Industry Structure

The industry structure is well diversified and dominated by enterprises from the industry, trade, service, finance, banking and insurance field as well as manufacturers for vehicles and machine tools.



Science & Innovation

Approx. 52,000 students are studying at the 14 university institutions. Among them is the "Medizinische Hochschule Hannover", which is renowned worldwide for its innovative transplant medicine.



Hanover Region

- 21 districts
- approx. 1.2 million inhabitants
- approx. € 52 billion GDP

Macro Location



approx. 542,400
Inhabitants
(2020)



approx. + 8.5 %
Projected Population Growth
(2020-2035)



approx. 8.0 %
Unemployment Rate
(03/2021)



approx. € 75,900
GDP per Person in Employment
(2020)



approx. + 116,500
Commuter Balance
(2020)



approx. 120.5
Centrality Indicator
(2021)

Hanover's central location within Europe as well as its favourable traffic situation at the intersection of heavily frequented north-south and east-west axes have spurred Hanover's development into one of the most important German business locations. For example, the motorways A7 (Hamburg-Munich) and A2 (Ruhr area-Berlin) intersect in Hanover.

In the course of EXPO 2000, massive infrastructural measures were also carried out, which is why Hanover has excellent inner-city as well as national and international connections.

All German metropolitan areas can be reached quickly via the ICE rail network of the Deutsche Bahn, and the around 100 direct international destinations from Hanover Airport. In addition, the Mittelland Canal connects the city to the most important sea and inland ports in Germany and Europe.

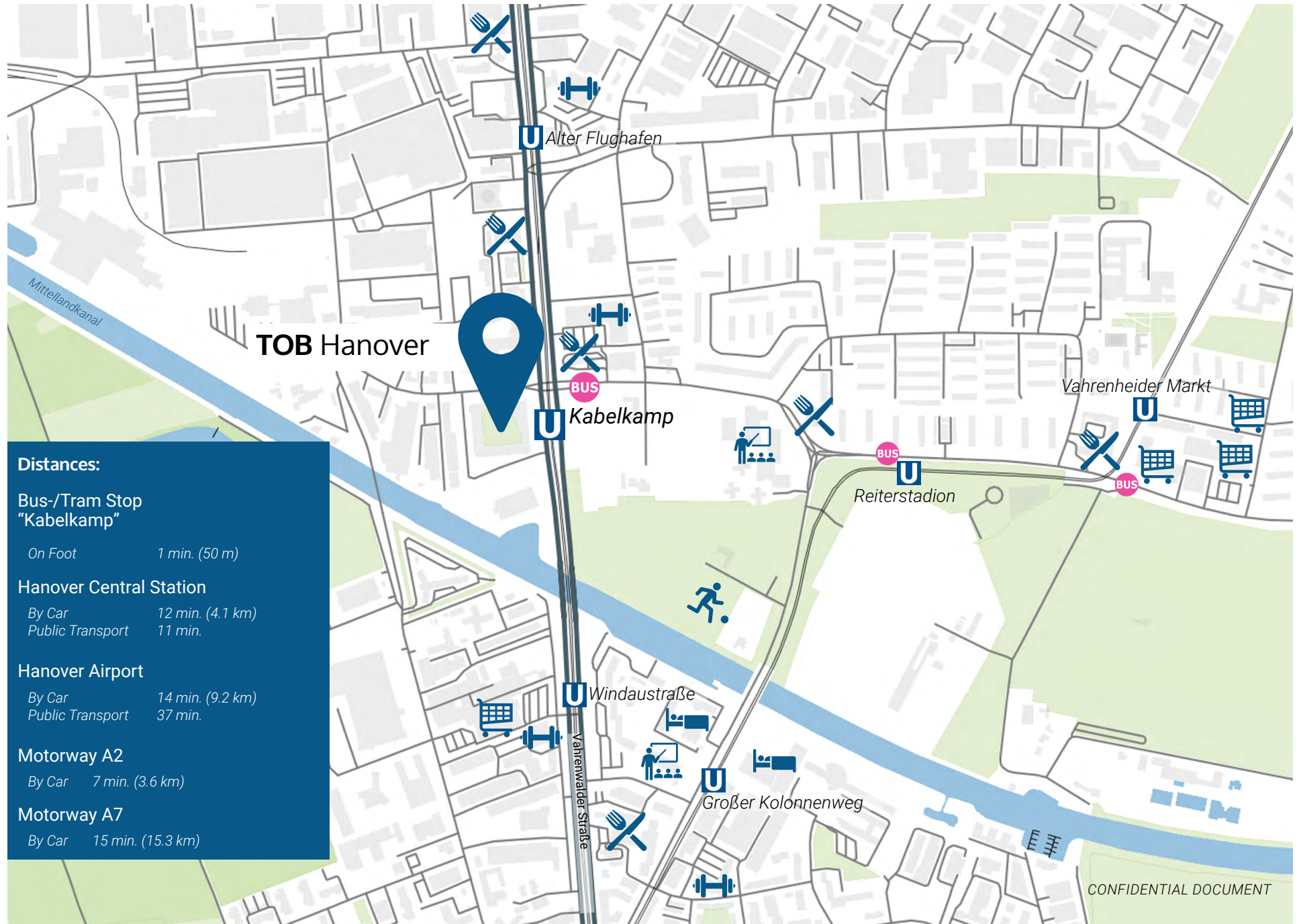


Source: Catella Research, Thomas Daily, City of Hanover

Micro Location

TOB Hanover is located on the easy-to-reach Vahrenwalder Straße in the north of Hanover in the Brink-Hafen district. The harbour on the Mittelland Canal to the west of the property and the commercial area characterise the surroundings, while residential use predominates to the east of the property around the street "Sahlkamp".

In recent years in particular, the area around Vahrenwalder Straße has started to transform and the formerly small-scale and dispersed commercial use is becoming increasingly dense and being replaced by office buildings. One of the main reasons for this is the excellent location and accessibility by both car and public transport. Hanover's city centre as well as the motorway as a connection to the surrounding area can be reached in a few minutes by car. The tram and bus stop directly in front of the property is served at least every 10 minutes on weekdays.



Distances:

Bus-/Tram Stop "Kabelkamp"	
On Foot	1 min. (50 m)
Hanover Central Station	
By Car	12 min. (4.1 km)
Public Transport	11 min.
Hanover Airport	
By Car	14 min. (9.2 km)
Public Transport	37 min.
Motorway A2	
By Car	7 min. (3.6 km)
Motorway A7	
By Car	15 min. (15.3 km)

Source: Catella Research, Google Maps, MapTiler

Excursus: Commercial Areas

The investment is located on the south-eastern edge of the „Brink-Hafen“ industrial estate - one of Hanover’s four industrial estates. The approx. 200 ha large area has a broad and industrial use profile, including the sectors (industrial) wholesale, logistics/forwarding, production, electrical engineering, mechanical engineering, administration, etc.

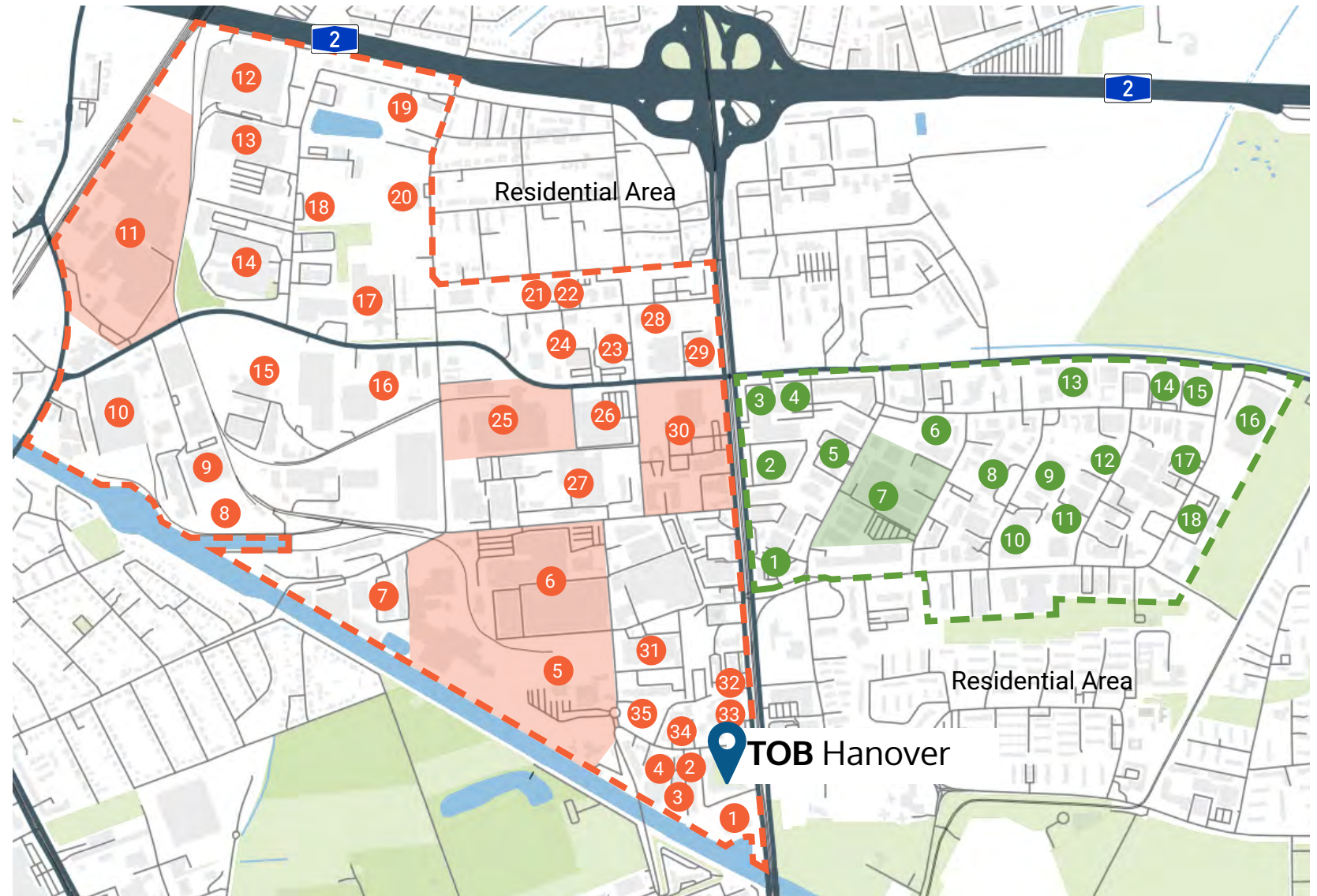
Adjacent to the east is the 60 ha industrial area „Vahrenheide“, which has a comparable focus of use.

Companies within the Commercial Area „Brink-Hafen“ (Excerpt)

- | | |
|---|--|
| 1. Peugeot Car Dealer | 19. Seico (Machine Engineering) |
| 2. Johanniter Verband (Medical Assoc.) | 20. School |
| 3. Steel Trader | 21. Willbrandt (Plastics Production) |
| 4. Tea Goetz (Tea Wholesale) | 22. Hankook Tire (Tyre Trade) |
| 5. Nexans (Cable Production) | 23. Volvo Car Dealer |
| 6. Sorst Streckmetall (Metal Compon.) | 24. Jaguar & Land Rover Car Dealer |
| 7. Köster & Hapke (Logistics) | 25. SEH (Construction Company) |
| 8. Befesa (Waste Disposal) | 26. Depot Furniture + Toom DIY Store |
| 9. Autogena (Steel Trade) | 27. Johanniter Akademie (Education Centre) |
| 10. Kretschmer (Bed Shop) | 28. KONE (Elevators/Escalators) |
| 11. Continental Surface Solutions (Plastics Production) | 29. RICOH |
| 12. Mannesmann (Steel Trade) | 30. Audi Centre (Car Dealer) |
| 13. Tupperware | 31. Radio Frequency Systems (Electronics) |
| 14. Delkeskamp (Packaging) | 32. Dealer for car accessories |
| 15. Lapp U.I. (Logistics) | 33. Pitstop + Carglass |
| 16. Actemium (Automation) | 34. German Agricultural Publishers |
| 17. Main Customs Office Hanover | 35. Martial Arts School |
| 18. Zeitfracht (Freight Forwarding) | |

Companies within the Commercial Area „Vahrenheide“ (Excerpt)


- | | |
|--------------------------------------|--|
| 1. FitX (Sports Studio) | 10. Metro (Food/Non-food Wholesale) |
| 2. Kitchen Trade | 11. EFG (Electrical Wholesale) |
| 3. Mömax (Furniture Store) | 12. Norwest-Chemie |
| 4. Kluxen (Electrical Wholesale) | 13. Volkswagen Motorsport |
| 5. HD Logistics | 14. PV Automotive (Car Accessories) |
| 6. einzA (Paint Wholesale) | 15. Pflegecampus (Education Centre) |
| 7. Forbo (Conveyor Belts) | 16. MEGA (Paint & Flooring Wholesale) |
| 8. Engelmann (Wire Rope Factory) | 17. Walterstein (Freight Forwarding) |
| 9. Nass Magnet (Mechan. Engineering) | 18. Kamphenkel (Cash Register Systems) |



Core Industries Hanover

Healthcare

approx. 74,800 employees
approx. 14.3 % of total employment
approx. 3.500 enterprises




Handcraft

approx. 71,600 employees
approx. 13.9 % of total employment
approx. 11,900 enterprises

Logistics

approx. 57,900 employees
approx. 11.2 % of total employment
approx. 2,600 enterprises



Knowledge-based business-related services

approx. 36,300 employees
approx. 6.9 % of total employment



Automotive Industry

approx. 26,600 employees
approx. 5.1 % of total employment
Together with Braunschweig and Wolfsburg, the Hanover region forms one of the most important centres of the automotive industry

Financial Services

approx. 25,300 employees
approx. 5.0 % of total employment
approx. 900 enterprises

Creative Industries

approx. 22,100 employees
approx. 4.5 % of total employment

Information and Communications Industry

approx. 22,600 employees
approx. 4.6 % of total employment
approx. 1,000 enterprises



Production Technology

approx. 13,000 employees
approx. 2.5 % of total employment
approx. 440 enterprises



Science and Research

approx. 8,800 employees
approx. 1.7 % of total employment



Energy Industry

approx. 4,300 employees
approx. 0.8 % of total employment
approx. 67 enterprises



Trade Fair and Congress

approx. 1,500 employees
approx. 0.3 % of total employment

Top Companies in the Region

talanx. HDI

- Sector: Insurance
- HQ: Hanover
- Gross written premium (FY 20): approx. € 41.1 bn
- Total employees (2020): approx. 23,530

RÖSSMANN

- Sector: Drugstore
- HQ: Burgwedel
- Revenue (FY 20): approx. € 10.3 bn
- Total employees (2020): approx. 56,300

Continental

- Sector: Automotive
- HQ: Hanover
- Revenue (FY 20): approx. € 37.5 bn
- Total employees (2020): approx. 235,500



Nutzfahrzeuge

- Sector: Automotive
- HQ: Hanover
- Revenue (FY 20): approx. € 9.4 bn
- Total employees (2021): approx. 24,000 (thereof approx. 15,000 are based in Hanover)



- Sector: Tourism
- HQ: Hanover
- Revenue (FY 20): approx. € 7.9 bn
- Total employees (2020): approx. 48,300 (in 2019 approx. 4,300 were based in Hanover)



- Sector: Energy Storage/Batteries
- HQ: Hanover
- Revenue (FY 19): approx. € 5.0 bn
- Total employees (2019): approx. 3,200 (in 2019 approx. 1,300 were based in Hanover)



- Sector: Agriculture
- HQ: Hanover
- Revenue (FY 20): approx. € 6.4 bn
- Total employees (2020): approx. 6,300

hannover re®

- Sector: Insurance
- HQ: Hanover
- Gross written premium (FY 20): approx. € 24.8 bn
- Total employees (2020): approx. 3,000

enercity positive energie

- Sector: Energy
- HQ: Hanover
- Revenue (FY 20): approx. € 3.7 bn
- Total employees (2020): approx. 2,980



Property

Tenant Sheet

Tenant	Rental Space acc. to Lease Contracts (approx. sqm or unit)					Monthly Rental Income by Type of Use (approx. €)					Monthly Rental Income per sqm/unit (approx. € per sqm or € per unit)					End of Contract	Remain. Options	Indexation	
	Areas acc. to	Office	Stor./Basem.	Gastro-nomy	Techn. Areas	Parking Spaces	Office	Stor./Basem.	Gastro-nomy	Techn. Areas	Parking Spaces	Office	Stor./Basem.	Gastro-nomy	Techn. Areas				Parking Spaces
Jobcenter I	DIN	13,774					128,097					9.30					30.11.2031	2 x 5 Years	10 / 70
Jobcenter II (7. OG)	DIN	305					2,838					9.30					31.01.2027	2 x 5 Years	10 / 70
Barmer GEK	GIF	4,743					44,587					9.40					31.12.2023	2 x 5 Years	10 / 66
Techniker Krankenkasse *	DIN	3,713					36,759					9.90					30.06.2026	2 x 5 Years	10 / 100
Arvato	MF-G1	2,362					21,405					9.06					30.11.2023	2 x 3 Years	10 / 100
SRH I	GIF	1,573					21,192					13.47					31.01.2026	2 x 3 Years	10 / 100
SRH II	GIF	1,300					17,509					13.47					31.01.2026	2 x 3 Years	10 / 100
BAD GmbH	GIF	1,445					16,312					11.29					31.10.2034	2 x 5 Years	10 / 100
ARL	GIF	1,385					15,237					11.00					31.12.2027	1 x 5 Years	10 / 100
Deutsche Post **	GIF	1,083					9,430					8.71					31.01.2027	2 x 5 Years	10 / 90
EWE AG	GIF	961					10,090					10.50					30.09.2023	2 x 5 Years	10 / 100
Jobcenter III (Storage)	DIN		261					1,044					4.00				30.11.2031	2 x 5 Years	10 / 70
STRABAG	GIF	44					440					9.98					31.05.2023		10 / 100
Casino (Restaurant)	DIN			693					2,000					2.89			31.12.2030		
Parking Spaces						423					19,257					45.53			
Basement	DIN		501					1,588					3.17						
Basement (Casino)	DIN		132					0					0						
Basement (Technical Area)	DIN				298					0				0.00					
Vacancy Parking Spaces (indoor)						8					400 (Target)					50.00 (Target)			
Vacancy Parking Spaces (outdoor)						7					280 (Target)					40.00 (Target)			
Vacancy Basement			42					167 (Target)					4.00 (Target)						
TOTAL/AVERAGE		32,688	935	693	298	438	323,896	2,799	2,000	0,00	19,937	9.91	3.46	2.89	0.00	47.78	~ 7.1 Years	WAULT	

* SKR as of 30.04.2023 - drawing of the SKR as of 31.10.2022 - for the areas - 1st floor tract E (335.18 sqm) and 7th floor tract D/E (1,014.19 sqm)

** Deutsche Post - new rent from 01.02.2022 = € 11,860.93 p. m. (increase of € 2,430.93 p. m.)

Simplified Building Plan

The office complex is divided into 9 tracts. The „Tip“ contains the shared reception and foyer as well as office space from the 3rd floor onwards. The other 8 tracts are named alphabetically A-H in clockwise order.

The office complex is divided into 9 wings. The „top“ contains the shared reception and foyer as well as office space from the 3rd floor onwards. The other 8 wings are named alphabetically A-H in clockwise order.

Access

Access is via a main entrance from Vahrenwalder Straße and several side entrances from all directions and from there via the staircases and lifts to the respective floors of the individual wings (A - H).

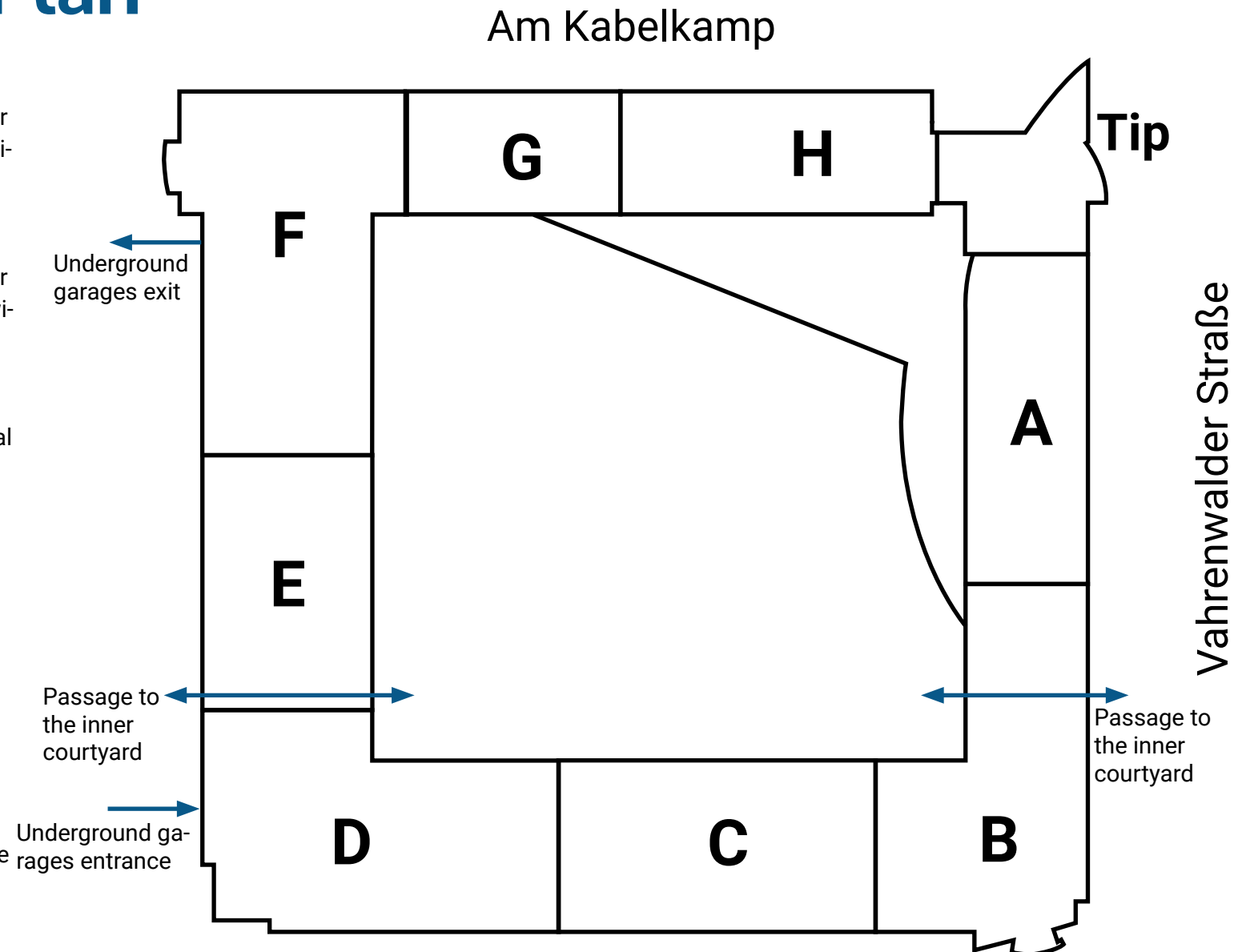
Lifts and staircases

The top, A-B, C-D, E-F and G-H parts of the building each have two passenger lifts, 10 lifts in total.

Access to the respective floor can also be gained via the staircases A-B, C-D, E-F and G-H in the building sections.

Entrance/exit to the underground car park

The underground car park is accessed and exited via Vahrenwalder Straße and Kabelkamp. The entrance is at building section D and the exit at building section F.



Rental Space Overview

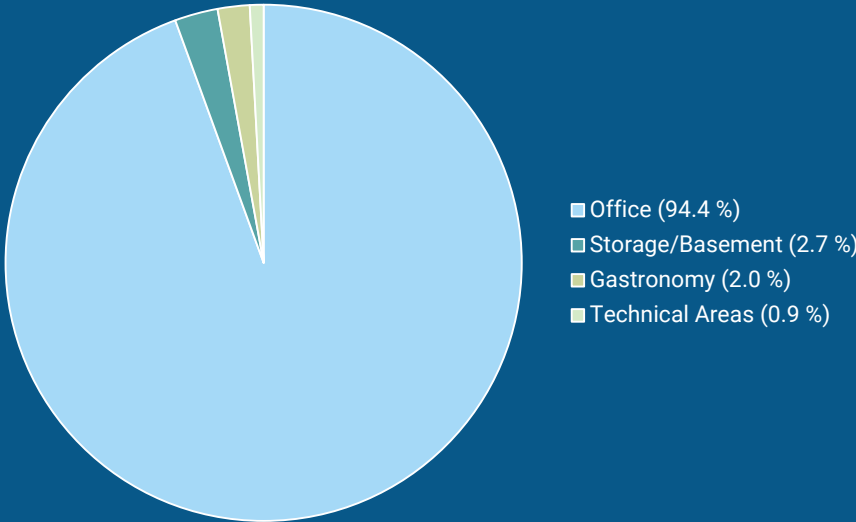
	Tip		A-Tract	B-Tract	C-Tract	D-Tract	E-Tract	F-Tract	G-Tract	H-Tract	Total	
8th Floor	Arvato 35.84 sqm		Arvato 299.40 sqm	Techniker Krankenkasse 462.70 sqm	Techniker Krankenkasse 377.80 sqm	Techniker Krankenkasse 627.00 sqm	Techniker Krankenkasse 359.00 sqm	Techniker Krankenkasse 539.00 sqm	Techniker Krankenkasse 196.57 sqm	ARL 348.77 sqm	3,246.08 sqm	
7th Floor	Arvato 72.67 sqm		Jobcenter 305.12 sqm	Barmer 505.51 sqm	Barmer 428.57 sqm	Techniker Krankenkasse 585.00 sqm	Techniker Krankenkasse 353.00 sqm	EWE AG 700.78 sqm	EWE AG 260.21 sqm	Arvato 302.40 sqm	3,513.26 sqm	
6th Floor	SRH 71.45 sqm	STRABAG 44.10 sqm	SRH 405.93 sqm	SRH 596.77 sqm	SRH 499.29 sqm	Barmer 750.11 sqm	Barmer 436.08 sqm	Deutsche Post 783.01 sqm	Deutsche Post 300.18 sqm	Jobcenter 349.53 sqm	4,236.45 sqm	
5th Floor	Jobcenter (Storage) 80.20 sqm		Jobcenter 376.35 sqm	Jobcenter 567.86 sqm	Jobcenter 473.85 sqm	SRH 807.43 sqm	SRH 492.50 sqm	Barmer 700.36 sqm	Barmer 258.56 sqm	Barmer 406.51 sqm	4,163.62 sqm	
4th Floor	Jobcenter 41.73 sqm	Jobcenter (Stor.) 79.05 sqm	Jobcenter 371.89 sqm	Jobcenter 564.57 sqm	Jobcenter 472.95 sqm	Jobcenter 703.62 sqm	Jobcenter 412.12 sqm	ARL 748.46 sqm	ARL 281.96 sqm	ARL 5.99 sqm	Jobcenter 355.53 sqm	4,037.87 sqm
3th Floor	Jobcenter (Storage) 101.87 sqm		Jobcenter 364.61 sqm	Jobcenter 555.90 sqm	Jobcenter 472.53 sqm	Jobcenter 707.72 sqm	Jobcenter 417.60 sqm	Jobcenter 662.22 sqm	Jobcenter 241.81 sqm	Jobcenter 346.77 sqm	3,871.03 sqm	
2nd Floor	Foyer		Jobcenter 354.28 sqm	Jobcenter 529.57 sqm	Jobcenter 444.98 sqm	Jobcenter 663.69 sqm	Jobcenter 379.89 sqm	Jobcenter 627.52 sqm	Jobcenter 226.41 sqm	Jobcenter 329.90 sqm	3,556.24 sqm	
1st Floor	Foyer		Jobcenter 59.17 sqm	Arvato 339.50 sqm	Arvato 470.73 sqm	Barmer 619.30 sqm	Techniker Krankenkasse 213.00 sqm	BAD 662.95 sqm	BAD 235.14 sqm	BAD 365.34 sqm	3,265.13 sqm	
Ground Floor	Reception		Jobcenter 519.82 sqm	Arvato 353.99 sqm	Arvato 487.10 sqm	Barmer 638.26 sqm	Jobcenter 222.51 sqm	Jobcenter 656.97 sqm	BAD 181.19 sqm	Casino (Restaurant) 693.04 sqm	3,752.88 sqm	

Rental Space Analysis

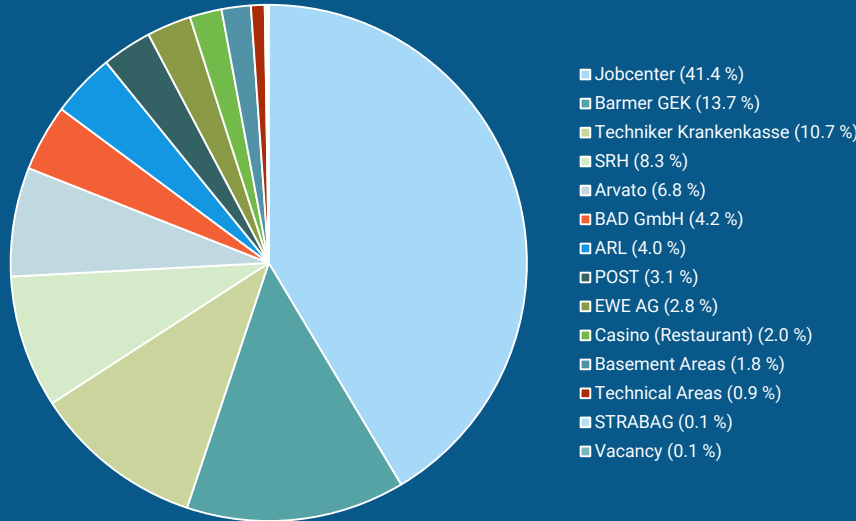
Type of Use	Rental Space (approx.)
Office	32,688.40 sqm
Storage/Basement	935.12 sqm
Gastronomy	693.04 sqm
Technical Areas	297.67 sqm
Total	34,614.23 sqm
Parking Spaces	438 units

Thereof Vacant	Rental Space (approx.)
Basement (1 unit)	41.63 sqm
Parking Spaces (indoor)	8 units
Parking Spaces (outdoor)	7 units

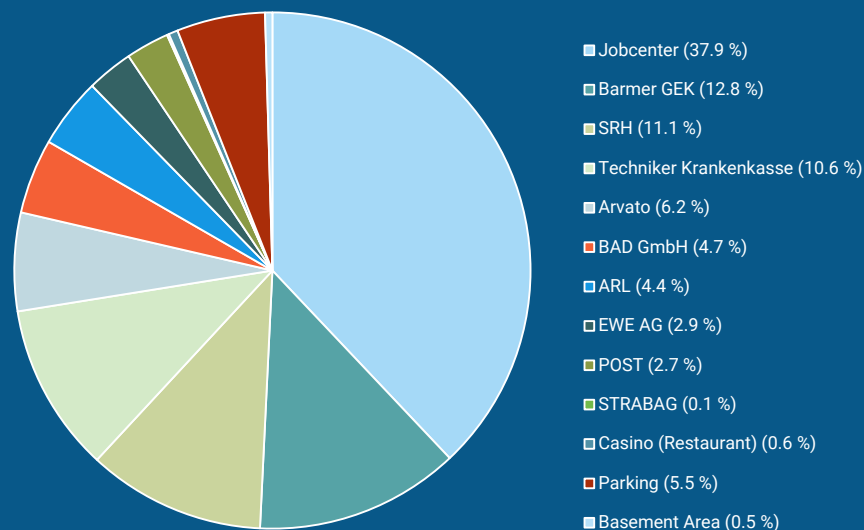
Proportionate Rental Space by Type of Use



Proportionate Rental Space by Tenant



Proportionate Annual Net Rental Income by Tenant



63 %

Cumulative share of annual net rental income (approx.) of the three main tenants

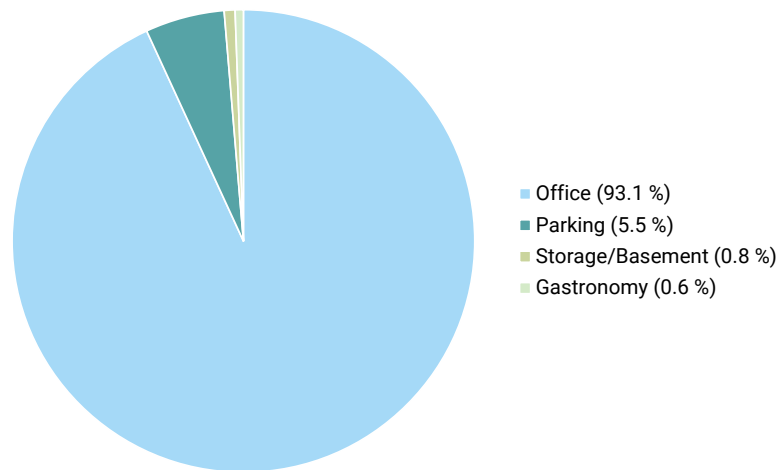
Rental Income Analysis

Tenant	Annual Net Rental Income (approx.)
Jobcenter	€ 1,583,749
Barmer GEK	€ 535,040
SRH	€ 464,410
Techniker Krankenkasse	€ 441,113
Arvato	€ 256,865
BAD GmbH	€ 195,741
ARL	€ 182,844
EWE AG	€ 121,085
Deutsche Post	€ 113,160
STRABAG	€ 5,280
Casino (Restaurant)	€ 24,000
Parking Spaces	€ 231,086
Storage/Basement	€ 19,060
Total (as is)	€ 4,173,433
Vacancy Basement (target)	€ 1,998
Vacancy Parking Spaces (target)	€ 8,160
Total (target)	€ 4,183,591

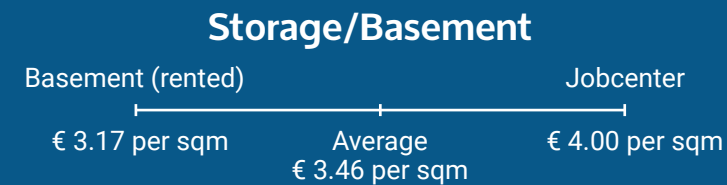
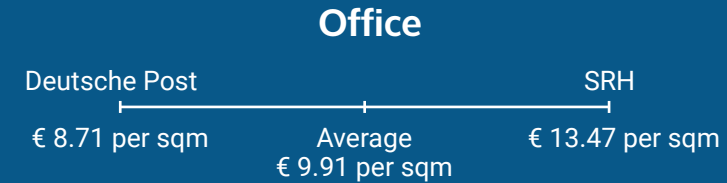
Rental Income Analysis

Type of Use	Annual Net Rental Income (approx.)
Office	€ 3,886,753
Storage/Basement	€ 31,594
Gastronomy	€ 24,000
Parking Spaces	€ 231,086
Total (as is)	€ 4,173,433
Vacancy Basement (target)	€ 1,998
Vacancy Parking Spaces (target)	€ 8,160
Total (target)	€ 4,183,591

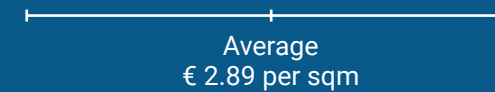
Annual Net Rent by Type of Use



Rental Price Range by Type of Use



Gastronomy



Parking Spaces



Building Law and Land Register

The property is located in the area of application of the legally binding development plan no. 945. The type of building use is defined as an industrial area (GI) and provides for the following specifications:

Floor area ratio (GRZ): 0.7

Building mass index (BMZ): 9.0

Construction method: open construction method

Permissible are:

- 1.) Commercial enterprises of all kinds, warehouses, storage yards and public enterprises. Excluded are shopping centres and consumer markets of all kinds as well as businesses and facilities that fall under § 2 of the Ordinance on Facilities Requiring a Permit (4th BlmschV of 14.02.1975).
- 2.) Petrol stations

The following may be permitted by way of exception

- 1.) Dwellings for supervisory and stand-by personnel as well as for company owners and managers.
- 2.) Facilities for ecclesiastical, cultural, social, health and sporting purposes
- 3.) Establishments and installations falling under § 2 of the Ordinance on Installations Requiring a Permit (4th BlmschV of 14.02.1975), in particular insofar as these installations cannot cause any significant disadvantages or nuisances for the surroundings.

Establishment of the new development plan no. 1884

In resolution 0820/2020 of 06.04.2020, a request was made to re-designate a planning area west of Vahrenwalder Straße with the new development plan no. 1884.

The newly designated development plan would be located in the areas of the currently legally binding development plans no. 878 and no. 945. The area of application includes all properties directly on Vahrenwalder Straße between Wohlenbergstraße and the Mittel-landkanal.

The new development plan provides for the designation as a commercial area (GE) for job-intensive commercial enterprises. This means that office and administrative buildings, for example, could also be erected here. These buildings are not permitted as independent facilities under planning law in the area currently designated as an industrial area.

Further development with office buildings and the associated densification along Vahrenwalder Strasse similar to other sections of the road will thus be possible.

On 06.05.2020, the urban development and building committee unanimously approved the application, on 14.05.2020 the administrative committee, also unanimously.

Land Register

Abteilung II: Inhalt der Lasten und Beschränkungen

Ongoing No. 3

(No. 1 and 2 are deleted)

Limited personal easement (supply line and heat generation right) for Stadtwerke Hanover AG in Hanover.

Tenant Analysis



Information:

The Jobcenter serves jobseekers from the entire Hanover region and is the main tenant of the property. In addition to the management, the legal department and the infrastructure of the Jobcenter are also represented here.

Barmer GEK is one of the largest statutory health insurance funds in Germany, with around 400 branches and approximately 8.8 million policyholders. The management of the Hannover Region is located here in the building.

Techniker Krankenkasse is a substitute health insurance fund and therefore provider of statutory health insurance. With around 10.5 million policyholders, it is one of the largest in Germany. The management of the Hannover Region is based at this location.

Arvato is part of the Bertelsmann Group and operates as an international service provider in the areas of SCM, finance and IT. Its customers include various banks, insurance companies as well as IT and tech companies.

SRH is a vocational training centre that specialises in the reintegration of mentally ill people. The team includes various trainers, psychologists and educationalists who cooperate with external labour market counsellors and doctors.

Employees:

- approx. 1.700 (2020)
- approx. 14,500 (2020)
- approx. 13,800 (2020)
- approx. 85,600 (2020)
- approx. 190

Budget/Turnover:

- approx. € 41.3 bn. (2020)
- approx. € 45.6 bn. (2020)
- approx. € 4.4 bn. (2020)
- n/a

Rental Contract Data:

Total Rental Space:	• approx. 14,340.11 sqm	• approx. 4,743.26 sqm	• approx. 3,713.07 sqm	• approx. 2,361.63 sqm	• approx. 2,873.37 sqm
Annual Net Rent:	• approx. € 1,583,749	• approx. € 535,040	• approx. € 441,113	• approx. € 256,865	• approx. € 464,410
End of Contract:	• 30.11.2031*	• 30.12.2023	• 30.06.2026	• 30.11.2023	• 31.01.2026
Extension Options:	• 2 x 5 Years	• 2 x 5 Years	• 2 x 5 Years	• 2 x 3 Years	• 2 x 3 Years
Indexation:	• 10 / 70	• 10 / 66	• 10 / 100	• 10 / 100	• 10 / 100

* For a partial rental area of approx. 305.12 sqm on the 7th floor, the rental contract officially expires on 31.07.2027 (2 x 5-year extension options).

Tenant Analysis



Information:

B·A·D Gesundheitsvorsorge und Sicherheitstechnik GmbH is a service provider in the field of occupational safety and health management. The service portfolio includes, for example, the areas of fire protection, risk assessment, management of hazardous substances, etc.

ARL is an autonomous and independent institution under public law that provides analysis and advice on sustainable spatial development issues. As part of the Leibniz Association, it is jointly funded by the federal and state governments.

Deutsche Post DHL Group is one of the leading postal and logistics service providers both in Germany and internationally. The catchment area covers around 220 countries.

EWE AG is the fifth largest utility company in Germany and is active in the business areas of energy, gas, telecommunications and information technology.

STRABAG SE has its headquarters in Vienna and operates throughout Europe as a project developer in the areas of infrastructure and real estate.

Employees:

- approx. 4,900 (2020)
- approx. 50
- approx. 570,000 (2020)
- approx. 9,100 (2020)
- approx. 74,340 (2020)

Budget/Turnover:

- approx. € 340 m. (2020)
- approx. € 66.0 bn. (2020)
- approx. € 5.6 bn. (2020)
- approx. € 14.7 bn. (2020)

Rental Contract Data:

Total Rental Space:	• approx. 1,444.62 sqm	• approx. 1,385.18 sqm	• approx. 1,083.19 sqm	• approx. 960.99 sqm	• approx. 44.10 sqm
Annual Net Rent:	• approx. € 195,741	• approx. € 182,844	• approx. € 113,160	• approx. € 121,085	• approx. € 5,280
End of Contract:	• 30.10.2034	• 31.12.2027	• 31.01.2027	• 30.09.2023	• 31.05.2023
Extension Options:	• 2 x 5 Years	• 1 x 5 Years	• 2 x 5 Years	• 2 x 5 Years	• -
Indexation:	• 10 / 100	• 10 / 100	• 10 / 90	• 10 / 100	• 10 / 100

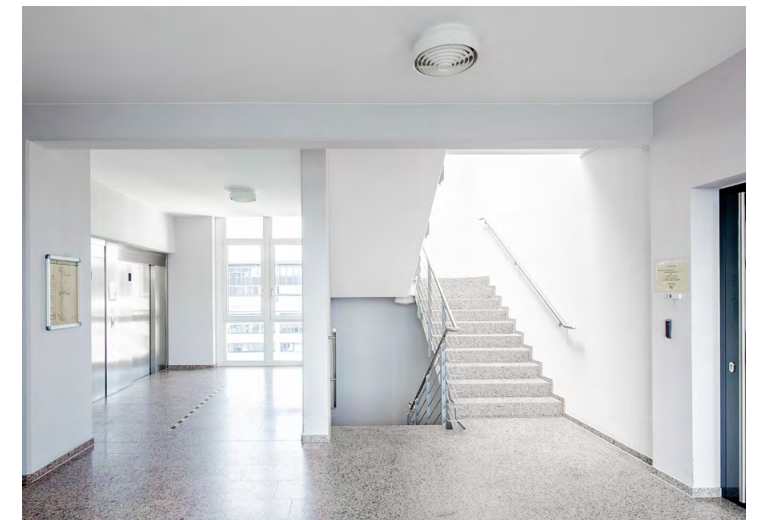


TOB Hanover

Impressions

Impressions

More pictures and a video may be found via [this link](#).





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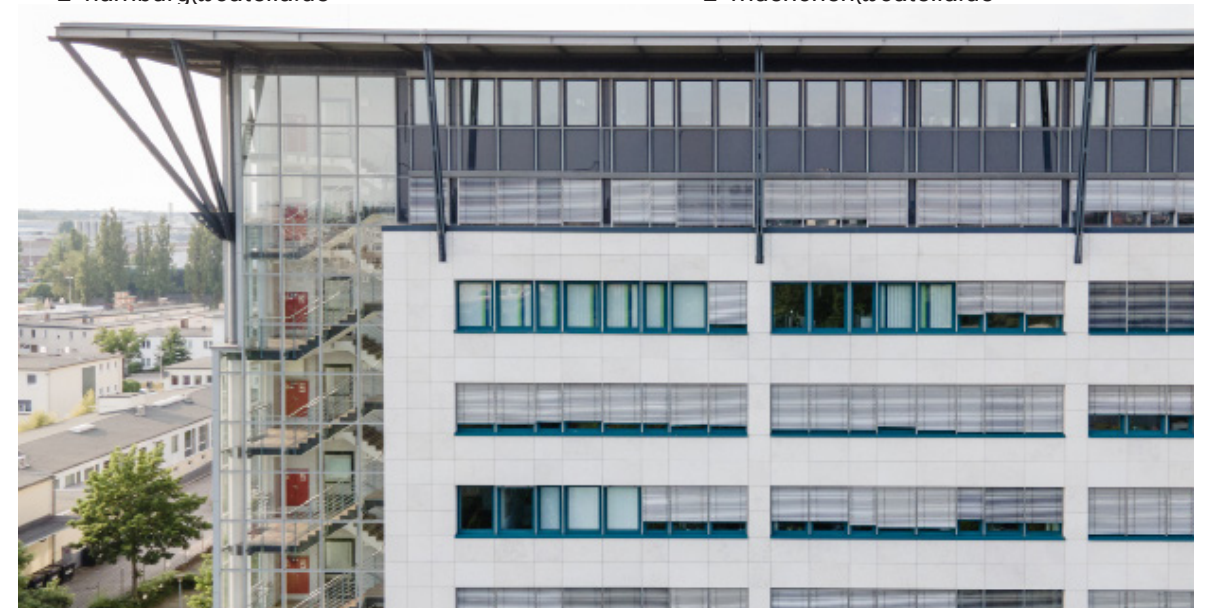
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The transaction is intended to be an asset deal.

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