

Union Investment expands property portfolio in Mexico

Completion of Torre Mayor extension scheduled for early 2009

At 225 metres high, the Torre Mayor is one of Latin America's most imposing office buildings. The 55-storey landmark tower, in which Union Investment's open-ended real estate fund Unilmmo: Global acquired a 30% stake in 2005, is now to benefit from the addition of a new, six-storey building. At the beginning of December, Unilmmo: Global invested some 12 million US dollars in the "Reforma 489/Rio Elba 47" development on Paseo de la Reforma, located in Mexico City's central business district. Featuring 6,800 square metres of office space and 1,170 square metres of retail space, the class A "Reforma 489" building is set for completion in the first quarter of 2009. "Rio Elba 47" is already finished and operational.

The demand for prime office space in the Reforma/Centro location is such that 96% of the Torre Mayor extension has already been pre-let. A total of around 40 million US dollars is being invested in the office block, in which Reichmann International (developer of both the existing and new buildings) has a 70% interest. The acquisition of a 30% stake means that Unilmmo: Global now holds six property investments in Mexico. As well as office buildings in Mexico City and Monterrey, the fund has also invested in a South American property. "A strong, local partner is essential if you want to establish a toehold in the emerging markets of Central and South America," says Michael Montebaur, the Management Board

member of Union Investment Real Estate AG responsible for business outside Germany. “We have signed exclusivity agreements with Birmann and Reichmann International – pioneers of the local real estate development scene – for our investments in Mexico and Chile.” Union Investment intends to further expand its strategic holdings in Central and South America in 2008.



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