

Hamburg, 30 March 2015

## **Union Investment: Open-ended real estate fund for institutional investors grows to almost EUR 400 million**

- **Portfolio now comprises nine properties following the acquisition of Tübinger Carré in Stuttgart and Pergamon Palais in Berlin**
- **Fourth subscription phase highly successful**

Union Investment's UniInstitutional German Real Estate fund has grown to some EUR 400 million within 24 months, enabling the institutional investors concerned to benefit from considerable diversification. The open-ended real estate fund was established at the end of 2012 and recently acquired its eighth and ninth properties with the purchase of Tübinger Carré in Stuttgart and Pergamon Palais in Berlin. A large proportion of the cash raised in the fourth subscription phase has thus already been invested in attractive properties. The fund received inflows of approximately EUR 100 million during the subscription phase, which closed at the end of February. "Demand for our latest real estate product remains strong. Additional subscription rounds will be staged in conjunction with upcoming investments," said Dr. Christoph Schumacher, a member of the management team at Union Investment Institutional Property GmbH. "The fund looks set to reach just under EUR 500 million by the end of the year. Taking account of the current acquisition pipeline, the fund is almost fully invested." In the past year, Union Investment was able to realise acquisitions totalling some EUR 670 million for the institutional real estate fund.

The Tübinger Carré commercial building offers 16,744 sq m of fully let rental space. The lease with prime tenant Globetrotter has a remaining term of 17 years. Constructed in 1994 and comprehensively refurbished in 2014, the building enjoys a prominent corner location in Stuttgart's city centre between Königstraße and the Gerber district. The vendor is Tübinger Carré GmbH & Co. OHG. Details of the purchase price were not disclosed.

Pergamon Palais combines office and residential space and was completed in 2011. It comprises total rental space of 6,232 sq m and is located at Georgenstraße 46-48 in Berlin's museum district, close to Friedrichstraße. The office space, which comprises 86 per cent of

the total, is let to Humboldt University, a financially sound and very appropriate tenant for this location. The fifth and sixth floors of the impressive new build offer a total of eight apartments. The vendor is HIH Hamburgische Immobilien Handlung on behalf of a special AIF managed by Warburg-Henderson. Details of the purchase price were not disclosed.

The investment focus of UniInstitutional German Real Estate is on established German commercial property markets. Strong regional centres and mid-sized cities, such as Bonn, Freiburg, Nuremberg and Heidelberg, are also monitored for investment opportunities. To increase diversification, logistics and residential properties may be selectively included in the future. Fund management will focus primarily on properties worth between EUR 15 and 50 million. The fund's property portfolio currently has an occupancy rate of 100 per cent.

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