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Warburg-HIH Invest Acquires Sagittarius Business House in Wrocław from Echo Investment

- Acquisition of a new-build property in Poland for the individual fund of an institutional investor
- CBD location, blue chip tenants, and full occupancy as at transfer of ownership

Hamburg/Wrocław, 20. July 2017 – Warburg-HIH Invest Real Estate (Warburg-HIH Invest) will acquire the Sagittarius Business House office scheme in the Polish city of Wrocław on behalf of an individual fund it manages for an institutional investor. The property is being sold by the Polish property developer Echo Investment. The building, which is under development in a very central office location and which will have a gross lettable area of around 25,000 square metres, is slated for completion by the first quarter of 2018. The main tenants of the office units are Ernst & Young and Bank of New York Mellon, taking over 90% of the total space. In addition, the six-storey building encompasses around 1,700 square metres of retail and restaurant space on the ground floor, as well as a preschool. There are 322 parking spots on the premises, some of them located in the in-house underground car park. The multi-tenant occupancy is also made possible by a flexible floor plan that permits variable partitions. The developer is responsible for completion of the construction works and guarantees full occupancy by the time ownership of the property is transferred.

“We are taking advantage of a great opportunity with this additional acquisition in Wrocław because the Polish real estate market offers a yield premium to west-European investors, and because the city represents an attractive investment destination due to its positive macro-economic performance,” said Andreas Schultz, head of the Transaction Management International units at Warburg-HIH. “Owing to our structuring, transaction and management experience in Poland, we are able to tap into an efficient network of advisors and service providers, who have made it possible for us to acquire this new-build property in such a unique location, with its striking asset quality and a BREAAAM certificate of excellence, which will continue to be an asset to us in the future,” Schultz went on to elaborate.

“This is another case we are selling the property under construction, so I’d like to thank Warburg-HIH Invest for the confidence in our company. The building has already such reputable tenants as EY and BNY Mellon, and Wrocław remains one of world favourable location for Business Process Outsourcing/ Shared Service



Centers. This factor implies the Sagittarius Business House future market success. "I am convinced the building will be an excellent asset in the portfolio of the individual fund," says Nicklas Lindberg, CEO of Echo Investment.

The Sagittarius Business House is located in the future Central Business District (CBD) of Wrocław, between the central railway station and the Wroclavia shopping centre, which, when completed, will cover 80,000 square meters and be one of the largest and most modern shopping centres in Poland. Due to its direct proximity to the central railway station and the municipal court and tram depot, the property benefits from convenient access to both long distance and public mass transit network. As the property lies close to the bypass road no. 98, it is also convenient to reach by car. The commute to Wrocław Airport takes about 22 minutes, and the inner city is a 15-minute walk away. Moreover, there are several other shopping centres in the vicinity, along with small-scale retailers, restaurants and cinemas. While covering non-discretionary retail needs in the area around the central railway station, they create an urban environment for the subject property, too.

Wrocław, together with Warsaw and Krakow, is one of the most economically significant cities in Poland, and the third largest destination for higher education, with approximately 30,000 university graduates every year. For more than a decade now, the Polish economy has been growing at a very brisk pace, and a fast growth rate is predicted for 2018 as well. The European Union's planned budget through 2020 has earmarked an additional 105 billion euros for investments in Poland, thereby supporting Poland's role as one of the growth engines of Europe.

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**Andreas Schultz, Managing Director Transaction Management International
Warburg-HIH Invest**

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**Nicklas Lindberg, Chief Executive Officer
Echo Investment**



About Warburg-HIH Invest

Warburg-HIH Invest Real Estate (Warburg-HIH Invest) is a real estate investment manager serving institutional investors and covering the entire spectrum of national and international real estate investments. Warburg-HIH Invest is one of Germany's leading managers of special AIF for real estate with real estate assets of c. EUR 6 billion under management. Warburg-HIH Invest can demonstrate a comprehensive track record in concept designing and implementing bespoke investment solutions. Warburg-HIH Invest, as a quality provider, supplies products and services with added value. This pursuit matches the quality standards set by both of its shareholders, HIH Real Estate and the private bank M.M. Warburg & CO founded in 1798.

More information can be found on the company's website at: www.warburg-hih.com/en

About Echo Investment

Echo Investment is the biggest Polish developer carrying out investments in three main sectors of the real estate market: office, retail and residential. Since 1996, it has been listed on the Warsaw Stock Exchange. The company has completed almost 120 projects in dozens Polish cities, with a total area of close to 1,300,000 sqm. Currently it has 800,000 sqm of space under construction and in preparation.

In 2015, Echo Investment joined the dynamically developing capital group of Griffin Real Estate – Oaktree – PIMCO.

More information can be found on the company's website at: www.echo.com.pl/en