

# PRESS RELEASE

## Warburg-HIH Invest Increases Assets under Management to 12.9 Billion Euros

- Average rate of return (BVI method) at 5.8 percent p.a. across funds
- Further acquisitions planned for logistics and retail property funds that focus on local amenities
- Occupancy of office portfolio at 98 percent

**Hamburg, 9 February 2021** – Warburg-HIH Invest Real Estate (“Warburg-HIH Invest”) continued its growth trajectory in sync with the further expansion of its spectrum of client deliverables in 2020. By the end of 2020, the assets under management totalled 12.9 billion euros (an increase by 15 percent). The portfolio of the AIF management company (German “KVG”) includes 78 investment funds at the moment. Transactions by Warburg-HIH Invest last year had a volume of 2.1 billion euros. The sum breaks down into c. 1.8 billion euros in acquisitions and 0.3 billion euros in sales.

### Continued Push to Widen Investment Focus and Deepen Specialisation

Hans-Joachim Lehmann, Managing Director of Warburg-HIH Invest, provided a round-up of the year just concluded: “Widening our investment focus has paid off. We are seeing a boom in demand both for logistics real estate and for retail warehouse parks providing local amenities. Deploying teams that specialise in these types of use helps us to secure smooth access to the markets and to ensure that our real estate is professionally managed. In addition to our specialisation in logistics, local convenience centres and office properties, our orientation toward social real estate in the preschool segment has proven particularly stable.”

### Stable Portfolios with 5.8 Percent Returns and Expansion of New Pool Funds

“The time-weighted rate of return (BVI method) of the overall portfolio of Warburg-HIH Invest maintained a stable level of 5.8 percent p.a. In addition to logistics and local convenience centres, our office portfolio proved crisis-resilient; minor rent arrears and an occupancy rate of over 98 percent contributed to the robust result,” summarised Alexander Eggert, Managing Director of Warburg-HIH Invest.

Warburg-HIH Invest spent c. 170 million euros on a total of seven assets that are earmarked for its “Warburg-HIH Deutschland Logistik Invest” fund. Three properties with a combined value of 44 million euros were added to the portfolio of the “Perspektive Einzelhandel: Fokus Nahversorgung” retail property fund, which already held 16 assets at the time. Carsten Demmler, Managing Director of Warburg-HIH Invest, reported: “Both funds are fully placed and will invest another 350 million euros this year. All things considered, Warburg-HIH Invest was able to raise equity commitments of approximately 1.8 billion euros.” The bulk of the capital comes from savings banks, regional banks and institutional investors (insurance companies, superannuation schemes and pension funds).“



### **Demand Equally Strong for Sector-Specific Strategy Funds, Club Deals and Private Placements**

Warburg-HIH Invest has noted strong demand for pool funds with sector-specific strategies, for club deals and for private placements. "Our differentiated investment focus and our wide range of products enable us to manage our investors' growth as their partners. Using flexible solutions, we accommodate the different requirements and focus areas of the various investor groups. In the year now started, we intend to acquire specifically new day nurseries, local convenience centres and logistics assets for our existing pool funds. Moreover, we will broaden our range of deliverables as well as our investment focus. We want to keep meeting the requests of our clients for risk-averse real estate investments, adequate returns and sustainable products that meet ESG criteria with pinpoint accuracy," elaborated Carsten Demmler.

In addition to the existing funds subject to sustainability criteria, such as the "Deutschland Selektiv Immobilien Invest II" and the "Warburg-HIH Zukunft Invest" that focuses on investments in day nurseries, Warburg-HIH Invest will supplement the product range with European logistics investments and retail assets, especially in the grocery retail sector.

### **Individual Funds, Master Solutions and Consolidation Solutions very much in Vogue**

In the course of the financial year concluded, Warburg-HIH Invest was able to set up another six individual funds on behalf of its investors. Investments in the form of individual funds make up over the half of the entire real estate portfolio of Warburg-HIH Invest. On top of that, the portfolio of indirect real estate investments grew to more than three billion euros in 2020.

Clients take advantage of the entire range of options that Warburg-HIH Invest provides, from implementing bespoke investment strategies in Europe, to contributing properties, and all the way to management and consolidation solutions for indirect real estate investments. "Our investors use their individual funds increasingly to combine strategic real estate investments with contributions and bundled indirect real estate investments. The main goals for insurance companies, superannuation schemes, pension funds and ecclesiastical investors as well as banks and savings banks tend to be virtually identical in this context: Enhancing the stability, expanding the management options and retaining full flexibility are aspects cited by all investors," said Alexander Eggert as he elaborated the development.



*“Widening our investment focus has paid off. We are seeing a boom in demand both for logistics real estate and for retail warehouse parks providing local amenities. Deploying teams that specialise in these types of use helps us to secure smooth access to the markets and to ensure that our real estate is professionally managed. In addition to our specialisation in logistics, local convenience centres and office properties, our orientation toward social real estate in the preschool segment has proven particularly stable.”*

**Hans-Joachim Lehmann, Managing Director  
Warburg-HIH Invest**

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Warburg-HIH Invest**

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**Carsten Demmler, Managing Director  
Warburg-HIH Invest**

## About Warburg-HIH Invest

Warburg-HIH Invest Real Estate (Warburg-HIH Invest) is one of the leading investment managers for real estate in Germany and elsewhere in Europe. We find, develop and control real estate and investments under a forward-looking approach in the best interest of our clients. Decades of experience, close proximity to real estate markets and tight networking enable us to identify real estate opportunities and to act on them quickly in the right market cycle.

Around 150 institutional clients entrust their investments to Warburg-HIH Invest. They benefit from the structuring, product development, property management and market development specialists we make available for the purpose of developing just the right investment solutions for them.



Warburg-HIH Invest maintains a presence in ten different locations across Europe. As part of the HIH-Group, we cover the entire real estate investment value chain with in-house capacities. The early recognition of market changes, the implementation of regulatory requirements and forward-looking digital management are part of our corporate philosophy.

At the moment, we have 12.9 billion euros worth of assets under administration in 78 investment funds.

More information is available on the company's website at: [www.warburg-hih.com/en](http://www.warburg-hih.com/en)

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