

Warburg-HIH Invest Acquires Development Near Hamburg for Residential Investment Fund

- Property development will deliver 62 residential units and a day nursery
- Total lettable area of 3,950 square metres
- Property earmarked for Article-8 fund, “Warburg-HIH Deutschland Wohnen Invest”
- Sold by the developer, Bonava Wohnbau
- Completion scheduled for Q2 2024

Hamburg, 1 October 2021 – Warburg-HIH Invest Real Estate (“Warburg-HIH Invest”) just acquired 62 residential units belonging to a neighbourhood development in Wedel near Hamburg from its developer, Bonava Wohnbau. The property development at Rissener Strasse 99 + 101 in Wedel represents a new-build construction (meeting the KfW Efficiency House 55 standard) with a total lettable area of about 3,320 square metres, thereof 70 percent earmarked for subsidised housing. It is also planned to create 26 car parking spots. Moreover, the investment includes a day nursery with an effective floor area of 630 square metres. Completion of apartments and nursery is scheduled for the second quarter of 2024. The transaction took the form of an asset deal within the framework of a forward-funding arrangement on behalf of the “Warburg-HIH Deutschland Wohnen Invest” residential investment fund, which was launched this past spring.

Nadine Robra, Team Leader Transaction Management Germany at Warburg-HIH Invest, commented the acquisition: “The property development is embedded in sound local infrastructure that includes grocery retailers, schools and restaurants within the immediate vicinity. Worth noting is also that the high-end new flats will be built to the KfW Efficiency House 55 standard, and that a large number of them benefit from public funding. As Hamburg’s city area is expanding, Wedel with its 34,000 residents has become a booming suburb. Extensive woods, the proximity to the River Elbe and to Hamburg’s marina offer a variety of leisure options.”

Wedel, which is part of Pinneberg District, is well connected to the city area of Hamburg. The commute to downtown Hamburg takes about 25 minutes via the rapid transit system or by car using the B431 federal route or the A23 motorway, while the airport is half an hour away. A trading estate with well-known businesses and the University of Applied Sciences Wedel are also located close to the development.

“The flats are part of our ‘Wedeler Tor’ project. We are planning to create a green, sustainable residential quarter that provides a smooth transition to the outdoor areas next door. The finished property will bear



no resemblance to its former self. Especially families will feel right at home here, but so will couples and singles,” said Bonava Project Manager Lydia Rebbereh.

The acquisition of the property in Wedel continues the investment phase of the fund and expands the supra-regional diversification of its portfolio, the target volumes being at least around 400 million euros. At 3.60 - 3.7 percent p. a., the projected net cash-on-cash return of the investment is right within the range of the target yield of the fund, which invests specifically in ESG compliant residential developments in the so-called urban gravity belt of German metropolises.

The legal and tax due diligences (DD) were carried out by the law firm of Heussen Rechtsanwaltsgesellschaft mbh.

“The property development is embedded in sound local infrastructure that includes grocery retailers, schools and restaurants within the immediate vicinity. Worth noting is also that the high-end new flats will be built to the KfW 55 standard, and that a large number of them benefit from public funding. A day nursery complements the sustainable investment for this ESG compliant residential investment fund. As Hamburg’s city area is expanding, Wedel with its 34,000 residents has become a booming suburb. Extensive woods, the proximity to the River Elbe and to Hamburg’s marina offer a variety of leisure options.”

**Nadine Robra, Team Leader Transaction Management Germany
Warburg-HIH Invest**

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**Lydia Rebbereh, Project Manager
Bonava**

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 220 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 14 billion euros worth of assets under administration in 81 investment funds.

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

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