

Warburg-HIH Invest Acquires “Milestone 4” Property Development in Freiburg

- Office property with around 8,550 square metres of total lettable area
- Asset is earmarked for the “Deutschland Selektiv Immobilien Invest II” ESG fund
- Seller is STRABAG Real Estate GmbH
- Completion scheduled for Q2 2023

Hamburg, 3 August 2021 – Warburg-HIH Invest Real Estate (“Warburg-HIH Invest”) just acquired the “Milestone 4” property development in Freiburg im Breisgau from STRABAG Real Estate GmbH. The property, which is also known as JobRad-Campus-Süd, occupies a central location on Heinrich-von-Stephan-Strasse close to the city’s central railway station. Following its completion, the office property will have a total lettable floor area of around 8,550 sqm. The “Milestone 4” is fully occupied by JobRad GmbH on a ten-year lease that includes two renewal options. Ever since it was formed in 2008, the company has specialised in providing company bicycles as an alternative to company cars across Germany. The company’s roots and main place of business are in Freiburg. The transaction took the form of an asset deal that Warburg-HIH Invest closed on behalf of “Deutschland Selektiv Immobilien Invest II,” an ESG-compliant property fund organised in line with Article 8 of the Sustainable Finance Disclosure Regulation (OffV). It was agreed not to disclose the selling price. Completion of the project is scheduled for the second quarter of 2023. The company will seek a DGNB Gold certification for it.

“The asset at hand is a fully occupied property development centrally located in Freiburg. The high quality of building and accommodation, the modern specification and the flexible floor plan structure all recommend this new-build construction, which boasts a high alternative use potential. JobRad, who will occupy the premises on a long-term lease, has a sustainable business model and a blue-chip credit rating,” said Nadine Robra, Team Head Transaction Management Germany at Warburg-HIH Invest. “We were able to secure this high-end asset within the framework of an off-market deal and a forward-funding structure. With an attractive cash-on-cash return of about 4.2 percent annually, the investment will generate a stable cash flow for our institutional investors,” Nadine Robra went on to say.

The “Warburg-HIH Deutschland Selektiv Immobilien Invest II” property fund invests in offices in major, fast-growing cities in Germany. “This is an ESG strategy product in accordance with Article 8 of the Sustainable Finance Disclosure Regulation,” said Tilman Kaminsky, Fund Manager at Warburg-HIH Invest. “Through this acquisition, we managed to secure an environmentally sustainable asset that is perfect for building up an energy-efficient portfolio. It is an investment promising stable long-term cash-on-cash returns for the fund.”



The “Milestone 4” will provide a mix of co-working and open-space units, individual and multi-person offices along with conference rooms and think tank spaces. Groundwater source heat pumps, ventilation and extraction systems that include heat recovery, and a roof area with extensive greening reduce the environmental impact of the building. It also comes with highly convenient access for public and private transportation, while also being within easy reach of neighbouring countries France and Switzerland. The property is part of a larger neighbourhood development of 47,500 square metres of lettable area in direct proximity to Freiburg’s railway station. Other established market players have settled in the immediate vicinity.

The technical and environmental due diligence (TEDD) was performed by Drees & Sommer SE, the same company that undertook the ESG due diligence. The legal and tax due diligences for the buyer side were carried out by Ashurst LLP.

“The asset at hand is a fully occupied property development centrally located in Freiburg. The high quality of building and accommodation, the modern specification and the flexible floor plan structure all recommend this new-build construction and its high alternative use potential. Not least, the tenant who will occupy it on a long-term lease, JobRad, has a sustainable business model and a blue-chip credit rating.”

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

“This is an ESG strategy product in accordance with Article 8 of the Sustainable Finance Disclosure Regulation. Through this acquisition, we managed to secure an environmentally sustainable asset that is perfect for building up an energy-efficient portfolio. It is an investment promising stable long-term cash-on-cash returns for the fund.”

**Tilman Kaminsky, Fund Manager
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 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

Contact Person for Inquiries

Sandra Quellhorst
squellhorst@hih.de
+49 (40) 3282-3393

RUECKERCONSULT GmbH
Jan Schweiger
schweiger@rueckerconsult.de
+49 (0)30 28 44987 65