

Warburg-HIH Invest Acquires Day Nursery near Munich

- Day nursery located in Eichenau outside Munich
- Gross lettable area of nearly 1,300 square metres
- Lease for 25-year term signed with operator “Denk mit!”

Hamburg, 27 April 2021 – Warburg-HIH Invest Real Estate GmbH (“Warburg-HIH Invest”) just acquired a day nursery in the municipality of Eichenau near Munich from the TERRA Group. The standing property is earmarked for the portfolio of the “Warburg-HIH Zukunft Invest” open-ended special AIF. In addition to the day nursery, the two-storey building, which was raised as solid construction in 2010, includes doctors’ surgeries and offices, complemented by 13 parking spots on the premises. The operator of the day nursery occupies around 960 square metres of lettable area. The lease was signed for a term of 25 years. The other units are let to a recruitment consultancy (Michl-Group) and an occupational therapy office through the end of 2025. This means that the property on Tannenstrasse 8-10 with its lettable area of around 1,300 square metres is fully occupied. The transaction took the form of an asset deal. It was agreed not to disclose the selling price.

The town of Eichenau lies roughly 24 kilometres from downtown Munich. Eichenau is considered a commuter town for the cities of Fürstentfeldbruck and Munich, and expected to keep seeing demographic growth in future. The property lies in the southern part of town, about 600 metres from its centre and inside a thoroughly middle-class residential area dominated by detached single-family homes.

Jens Nagelsmeier, Head of Transaction Management Retail at Warburg-HIH Invest, said: “Investing in this asset meets the ESG criteria for a social infrastructure investment, which is something increasingly important to investors. The asset also provides cashflow both instant and constant for a long period of time.”

The acquisition of the day nursery in Eichenau brings the fund’s investment volume up to a total of over 48 million euros, which is nearly the half-way mark en route to the targeted total of 100 million euros. The fund envisions a stable cash-on-cash yield of 4.0 to 5.0 percent annually.

Thomas Winkelmann, the managing director of TERRA Group, commented: “Need-based daycare amenities are a precondition for the ability to reconcile family and work. Progressive urbanisation is driving demand for childcare spots, and nowhere more so than in metro regions. Investing in day nurseries is a crisis-resistant and simultaneously sustainable commitment for investors.”

The legal and tax due diligences were conducted by the law firm of Heuking Kühn Luer Wojtek in Hamburg. Witte Projektmanagement GmbH in Berlin was responsible for the technical and ESG due diligences.



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**Thomas Winkelmann, Managing Director
TERRA Group**

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

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