

HIH Invest Acquires “Warnow Park” in Rostock, a Large Neighbourhood Retail Centre

- The seller is an investment fund managed by Corestate
- Total lettable area of over 40,000 sqm, thereof 26,000 sqm of retail area, divided into 50 units
- Master tenant is food retailer Edeka Nord with a WAULT of about 18 years plus renewal option
- Busy location within a densely populated catchment

Hamburg, 24 January – HIH Invest Real Estate (“HIH Invest”) acquired “Warnow Park” in Rostock on behalf of an individual mandate given by an institutional investor. The popular district centre at Rigaer Strasse 5 in the Lütten Klein district was sold by “Highstreet VIII,” a retail property fund managed by Corestate. The property, developed and designed to excellent specifications, opened for business in 1995 and was modernised at great cost in 2010. The net internal area of 40,470 sqm at “Warnow Park” divides into about 26,000 sqm of attractive retail floor area on the ground floor and first floor up, the three levels above them providing more than 1,000 parking spots while the basement is taken up by plant rooms and storage areas. In addition, there are about 30 split-level apartments with a combined floor area of about 2,300 sqm on the second and third floor, as well as 1,125 sqm of office space.

The long-term master tenant of the property is Edeka Nord, a food retail chain that operates an E-Center hypermarket on 8,224 sqm while subletting and managing the roughly 50 other lock-up retail units as well as the flats and offices. The primary sub-tenants include the retail chains KIK and Takko (both discount fashion), dm Drogeriemarkt (drugs) and Jysk (home furnishings, formerly Dänisches Bettenlager). Ten units are currently occupied by gastronomic venues. The remaining term of the triple net lease is around 18 years. Fully occupied except for a single lock-up retail unit, “Warnow Park” attracts 14,000 visitors a day. “Master tenant Edeka Nord has a blue-chip credit rating. At the same time, ‘Warnow Park’ has proven resilient during the coronavirus crisis with its strong focus on local amenities and its need-based sector diversification. Out of the total of about 50 retail units, around 30 remained open for business throughout the pandemic,” commented Jens Nagelsmeier, Head of Transaction Management Retail at HIH Invest.

The direct catchment area of “Warnow Park” is home to around 60,500 residents, the majority of which live within a 10-minute walking distance. Moreover, the site is conveniently accessible by rapid transit train, tram, bus and two major arteries. The neighbourhood is characterised by very densely built-up residential areas. The surroundings include a pedestrian precinct that features a multiplex cinema of the “CineStar” brand, gastronomic amenities as well as many service providers and doctors’ surgeries.



HIH Invest received legal and tax advisory from Baker Tilly Rechtsanwaltsgesellschaft mbH based in Frankfurt am Main. The technical due diligence, which includes ESG aspects, was undertaken by C.P.H. Projekt- und Baumanagement GmbH (CPH) from Hamburg. The market and location analysis was compiled by bulwiengesa AG. Bechtolsheim Real Estate brokered the deal as estate agent.

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**Jens Nagelsmeier, Head of Transaction Management Retail
HIH Invest Real Estate**

About HIH Invest Real Estate

HIH Invest Real Estate (“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 during the right market cycle.

Around 220 institutional clients entrust their investments to 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.

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, HIH Invest has 14 billion euros worth of assets under administration in 81 investment funds.

For details, visit the company homepage at: www.hih-invest.de

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