

## HIH Invest Launches Renewable Energies Fund. First Asset Acquired in France

- HIH Green Energy Invest article-9 fund with target volume of 750 million euros
- Aiming for an average net cash-on-cash return of 5.5 percent
- New infrastructure team headed by Kristof Krull is in charge of project acquisitions
- “Grande Lande” wind farm purchased from BayWa r.e.

**Hamburg, 20 December** – HIH Invest Real Estate (“HIH Invest”) has expanded its fund portfolio by adding the HIH Green Energy Invest fund. Set up under Luxembourg law, it is the first article-9 fund of this investment house. The open-ended institutional fund just acquired its first asset, and is supposed to grow to 750 million euros.

HIH Green Energy Invest pursues long-term investments in photovoltaics and onshore wind power projects. It focuses on existing installations and projects prepared for development and already approved for the construction and operation of power plants. Up to ten percent of the projected fund assets are earmarked for investments in property developments for whose construction and operation certain permits have yet to be approved. The fund seeks to invest mainly in assets worth between 20 and 120 million euros. Primary target countries are Germany, France, Italy, and Spain. However, the fund will also consider investments in the Benelux countries, the United Kingdom, Ireland, Poland, Portugal, and the Nordics. The fund term of 30 years correlates with the projected service life of the installations, which is over 30 years.

It is expected that net cash-on-cash returns will average 5.5 percent. “What makes this a reasonable target are not least the perfectly predictable revenues: Solar irradiation and wind force can be reliably forecast, power purchase agreements have long terms, and the demand for electricity is growing,” explained Kristof Krull, Head of Infrastructure at HIH Invest. The investment house has gathered an experienced team headed by Krull for the acquisition of project assets. It is superbly networked with transaction partners, asset management partners and funding partners, and boasts a track record worth more than 2.5 billion euros handled.

“For HIH Invest, the new fund is a premiere in more ways than one. For the first time, we are venturing outside the classic real estate sector and entering a new asset class that, while having a lot in common with it, differs in many ways from our accustomed business. We have pushed forward with the diversification of our product line-up over the past few years, and are opening up new growth areas. This gives us an even broader range of options to meet our clients’ needs,” commented Alexander Eggert, Managing Director of HIH Invest.

## First Asset Acquired: Wind Farm with 13.2 Megawatts Output in the French Loire Region

The infrastructure team just acquired its first investment asset for the HIH Green Energy Invest fund: The “Grande Lande” wind farm constructed in the Pays de la Loire region in north-west France consists of six facilities equipped with wind turbines of the Vestas brand, and has a combined output of 13.2 Megawatts. It was sold by BayWa r.e. France, which is the BayWa r.e. subsidiary that developed and constructed the wind farm and that will operate it in the future. The internationally active BayWa r.e. group is a global leader in the development and production of energy solutions in the area of renewable energies.

André Rolff, Head of Transaction Management Infrastructure, commented the acquisition: “The wind farm will generate attractive feed-in revenues via a government-guaranteed feed-in tariff that is valid for an operating period of 20 years and is inflation-indexed, too. This enables us to secure stable long-term earnings for the HIH Green Energy Invest fund.” Once the government-guaranteed feed-in tariffs expire, the electricity can be marketed on the open electricity market or by signing a power purchase agreement (or PPA for short). The land is secured for up to 40 years, and thus far longer than the lifetime of the Green Energy Invest.

The tax due diligence was performed by KPMG. The legal due diligence was carried out by the law firm of Klein Wanner in Paris. RINA Consulting SAS, based in Saint Germain en Laye, was responsible for the technical due diligence. The insurance due diligence was done by Gossler, Gobert & Wolters Assekuranz-Makler GmbH & Co. KG, a Hamburg-based assurance broker. Dutthleul & Associés from Paris conducted the financial due diligence.

*“What makes the expected net cash-on-cash return of 5.5 percent on average a reasonable target are not least the perfectly predictable revenues: Solar irradiation and wind strength can be reliably forecast, power purchase agreements have long terms and the demand for electricity is growing.”*

**Kristof Krull, Head of Infrastructure  
HIH Invest Real Estate**

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**André Rolff, Head of Transaction Management Infrastructure  
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 260 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, we have 17.5 billion euros worth of assets under administration in 89 investment funds.

For more details, visit the company homepage at: [www.hih-invest.de/en](http://www.hih-invest.de/en)

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