

CORESTATE acquires Munich office property for club deal clients

- Investment amount of EUR 66 million
- Repositioning through Manage-to-Core strategy
- Double-digit return potential

Frankfurt, 5 February 2019. CORESTATE Capital Holding S.A. (CORESTATE), a leading European real estate investment manager, has acquired an office building in Munich. The property, representing a total investment amount of approx. EUR 66 million, is to be repositioned using a "Manage-to-Core" strategy. CORESTATE will offer the property to investors as a club deal. The deal signing has already been completed, with closing scheduled for the end of March 2019.

"Through the lease agreements which are already in place, the property is generating stable cash flow. Moreover, we see a number of opportunities to boost ongoing rental income. The investment thus offers, as a whole, an excellent starting point for further raising the property's existing appreciation potential through our active management approach. We bring a long and proven track record in this area, and the interest among our clients for value-add products offering the potential for double-digit returns remains unabated", says Thomas Landschreiber, co-founder and Chief Investment Officer of CORESTATE Capital Group.

In managing this property, CORESTATE will carry out its active asset management approach, successful over many years, using a "Manage to Core" strategy, meaning that the company is investing into properties with existing appreciation potential which may be further raised through modernisation, repositioning and new lease agreements.

The office complex has total leasable space of some 13,000 sq.m., of which roughly 75% is currently leased out to multiple individual tenants. The property offers far-ranging opportunities to create new long-term value. In addition to renovations and improvements to the existing structure, for example, leasable space will be significantly expanded through the construction of a new multi-story office pavilion on an adjacent lot belonging to the property which is currently being used as a car park but already approved for development. The plan calls for all space to be fully leased out by the end of 2020, when all of these measures are scheduled for completion, with aamundo Immobilien Gruppe serving as developer for the expansion and revitalisation project.

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About CORESTATE Capital Holding S.A.

CORESTATE Capital Holding S.A. (CORESTATE) is an investment manager and co-investor with approximately EUR 25bn in assets under management. As a fully integrated real estate platform, CORESTATE offers its clients combined expertise in the areas of investment and fund management as well as real estate management services. The company operates as a respected business partner of institutional clients and wealthy private investors internationally. CORESTATE is headquartered in Luxembourg and has 42 offices including in Frankfurt, London, Madrid, Singapore and Zurich. The company employs over 730 people and is listed in the Prime Standard (SDAX) of the Frankfurt Stock Exchange. Further information may be found at www.corestate-capital.com.

Forward-Looking Statements

This press release may contain forward-looking statements based on current assumptions and forecasts made by our management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of our company and the estimates given here. These factors include those discussed in our public reports, which are available on our website at ir.corestate-capital.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.