

Hamburg, 2 August 2017

New residential fund launched by Union Investment and ZBI gets under way with EUR 620 million

- **First batch of acquisitions comprising 410 residential properties worth EUR 245 million transferred to fund**
- **Over 50 per cent of initial portfolio now in the fund**

The Unilmmo: Wohnen ZBI residential real estate fund launched jointly by Union Investment and ZBI has raised approximately EUR 620 million in its first subscription phase, making it the largest residential-focused open-ended real estate fund in Germany from day one. As planned, a large portion of the capital raised was invested by the launch date. More than 50 per cent of the initial portfolio secured by ZBI, which has a total value of EUR 460 million, has already been transferred to the fund. The transfer of the remaining sub-portfolios is scheduled for August and September.

A real estate package comprising 260 properties and approximately 2,500 residential units with a total value of some EUR 132 million has already been transferred to the fund. The investment locations are chiefly in the west German cities of Düsseldorf and Gelsenkirchen. To further diversify risk, residential properties in other German federal states, such as Saxony, are also part of the transaction. Some 70 per cent of an additional portfolio with a pro-rata value of approximately EUR 113 million has also been transferred to Unilmmo: Wohnen ZBI. The vendor is a UK/US group of investors. The portfolio is mainly located in the federal state of North Rhine-Westphalia, primarily in the cities of Bochum, Essen, Duisburg and Düsseldorf. It comprises 150 properties with around 2,500 residential and commercial units. A programme of targeted investment is planned to enable full occupancy and value growth to be achieved.

“We are delighted to have got off to such a good start, both on the marketing side and with regard to acquisitions,” said Dr. Reinhard Kutscher, chairman of the Management Board of Union Investment Real Estate GmbH. “With its initial portfolio, the fund is very well positioned to leverage opportunities in the German residential real estate markets.”

Unilmmo: Wohnen ZBI focuses on properties that offer affordable living space for the wider population, with medium to high amenity value. Geographically, the fund is open to investment opportunities throughout Germany. With ZBI contributing strong expertise around asset management of residential real estate to its partnership with Union Investment, Unilmmo: Wohnen ZBI will primarily invest in portfolios with recognisable potential for value growth. In addition, mid-market development projects and existing properties requiring refurbishment will also be considered.

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