

20 November 2013

BUWOG acquires residential portfolio with 1,185 units in Berlin and surrounding areas

- **Purchase price EUR 50 million, gross return of 8.62 percent**
- **Main locations are Berlin-Kaulsdorf and Strausberg**
- **BUWOG portfolio in greater Berlin expands to around 5,450 units**

BUWOG, a wholly owned subsidiary of IMMOFINANZ Group, has acquired another residential package in Germany. The portfolio is located in Berlin and in the surrounding areas of the capital and encompasses 1,185 residential units with total lettable space of 79,422 sqm. The purchase price totals EUR 50 million, resulting in an average price per square metre of about EUR 630. The gross return comes to 8.62 percent. The package originates from an insolvency estate (insolvency administrator: Prof. Ralf Rattunde). The sale is subject to approval by the antitrust authorities.

With 671 flats, nearly 60 percent of the units are located in Berlin-Kaulsdorf, a neighbourhood of the Marzahn-Hellersdorf district located in the east of the city. Another focal point is the city of Strausberg with 407 flats, located approximately 15 kilometres east of the city; smaller stakes are accounted for by Grünheide Mark (64 flats), Sydower Fließ (24 flats) and Fredersdorf (19 flats). The vacancy rate is 4.2 percent and applies mainly to the locations outside of the capital. Including the newly acquired units BUWOG now has 5,447 flats in greater Berlin.

"The acquisition is in line with our overall strategy, which stipulates the continuous development of a strong portfolio in the northern German federal states", says Daniel Riedl, CEO of BUWOG and COO of parent company IMMOFINANZ Group. "Berlin is still one of Germany's most favourably priced large cities for rents and freehold flat prices. A process of catch-up has been underway for several years, however. The residential package just acquired will bring good long-term returns; the vacancy rate is low."

In the 2013 calendar year BUWOG has already invested a total of € 271 million in the purchase of 6,073 flats in Germany in the scope of six transactions.

- Two acquisitions in Kassel with a total of 1,505 flats
- Portfolios in Lüneburg and Syke with 885 flats as well as 582 flats in Kiel
- 3,101 flats in Berlin in two transactions

BUWOG's residential portfolio currently includes approximately 8,430 units in Germany and approximately 27,100 units in Austria. Furthermore, development projects with 1,600 flats are being carried out by the subsidiary BUWOG Meermann in Berlin. In Vienna there are 3,000 flats under construction or in planning.

Photo-Download:

http://www.buwog.at/sites/default/files/presse/berlin_falckensteinstrasse.jpg

http://www.buwog.at/sites/default/files/presse/berlin_wernerstrasse.jpg

BUWOG Group:

BUWOG Group (BUWOG and ESG–Villach) is the leading private residential property company in Austria with a portfolio of 35,530 flats (approx. 27,100 in Austria, approx. 8,430 in Germany). With a construction volume of around 700 flats in greater Vienna each year, BUWOG Group is one of the most active residential property developers in Austria. Together with its facility management subsidiary BUWOG FM, the group manages 2,300 residential, office, retail and hotel properties with 3.8 million sqm of usable space, which also makes it the leading facility manager in Austria.

BUWOG Group's most important growth market is the German residential property market, particularly Berlin and the northern federal states. In 2012 BUWOG also entered the Berlin residential development market with the takeover of a renowned Berlin-based development company and has a project pipeline of about 1,600 flats.

BUWOG is a wholly-owned subsidiary of the listed company IMMOFINANZ Group.

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