



## EDMOND DE ROTHSCHILD REIM RAISES INITIAL €250 MILLION FOR REAL ESTATE DEBT STRATEGY

Edmond de Rothschild Real Estate Investment Management (REIM) has raised an initial €250 million for its new European real estate debt strategy, focused on providing whole and mezzanine loans as well as preferred equity to investors in the major European markets.

The capital has been raised from a mix of international investors for two debt vehicles, the Edmond de Rothschild European Real Estate Debt Fund and a dedicated fund with a German insurance group. The Real Estate Debt Fund, which is targeting to deliver an income distribution of 4%-5% a year<sup>1</sup> and a net total return of approximately 8%, is aiming for a target size of €300 million.

The two debt vehicles have complementary risk-return profiles and may co-invest<sup>2</sup> in the same loan transactions with target loan-to-value ratios of 70% - 80% on average<sup>3</sup>, potentially more on individual deals. The lending strategies focus on all major and alternative property sectors in the European real estate markets, including Germany, France, Benelux, Nordics, Spain, Italy and the UK, leveraging off Edmond de Rothschild REIM's extensive network and local presence across Europe.

The Edmond de Rothschild Real Estate Debt platform offers a comprehensive and flexible range of debt products for borrowers across the capital stack including whole loans, mezzanine debt, select preferred equity, bridge and term facilities for existing properties and development projects.

Ralf Kind, Head of Real Estate Debt at Edmond de Rothschild REIM, said: "As an alternative lender we can provide flexible financing solutions for borrowers from a single source in an efficient and timely manner. We have a dedicated and experienced international real estate debt team based in Frankfurt and we are not distracted by any legacy, pre Covid-19, loan book positions. We can, therefore, focus entirely on new deals".

Christophe Caspar, Global Head of Asset Management at Edmond de Rothschild Group, said: "We are now in a lenders' market. The case for private real estate debt has become even stronger given the huge lending opportunities at lower risk and higher margins. Credit is a good place to be when markets are going through a correction".

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<sup>1</sup> Based on the realization of market assumptions and by no means a promise of performance.

<sup>2</sup> In accordance with predefined allocation rules.

<sup>3</sup> The investment process described in this document presents several internal limits decided by the team. This reflects the current investment process that may change in the future.

## DISCLAIMER

Edmond de Rothschild European Real Estate Debt Fund is reserved exclusively for professional investors and might come with restrictions for certain persons and in certain countries.

The fund does not guarantee or protect the capital invested, so investors may not recover the full amount of their initial capital invested even if they retain their units for the recommended investment period.

Any investment in Edmond de Rothschild European Real Estate Debt Fund involves exposure to certain risks and not limited to liquidity risk, concentration risk (Real Estate investments) and currency risk.

Any investment in Edmond de Rothschild European Real Estate Debt Fund may in any event only be made on the basis of documents and information that comply prevailing regulations.

## ABOUT EDMOND DE ROTHSCHILD REAL ESTATE INVESTMENT MANAGEMENT

The Edmond de Rothschild Real Estate Investment Management platform operates through local operating entities in Switzerland, in France, in the UK, Benelux & Germany. It now includes over 134 real estate professionals in 9 offices (7 countries) and manages more than more than €10 billion) on behalf of discretionary funds and third-party mandates.

## ABOUT EDMOND DE ROTHSCHILD

As a conviction-driven investment house founded upon the belief that wealth should be used to build the world of tomorrow, Edmond de Rothschild specialises in Private Banking and Asset Management and serves an international clientele of families, entrepreneurs and institutional investors. The group is also active in Corporate Finance, Private Equity, Real Estate and Fund Services.

With a resolutely family-run nature, Edmond de Rothschild has the independence necessary to propose bold strategies and long-term investments, rooted in the real economy.

Created in 1953, the Group now has CHF173 billion (€160 billion) in assets under management, 2,600 employees and 32 locations worldwide.

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