



EDMOND DE ROTHSCHILD REIM FINANCES PROPERTY ACQUISITION IN HAMBURG WITH MEZZANINE LOAN

Edmond de Rothschild REIM, through the Edmond de Rothschild European High Yield I Real Estate Debt Fund and a dedicated fund, has provided €50 million of mezzanine debt for the acquisition of an office complex in Hamburg by B&L Group.

B&L Group signed the purchase contract to acquire the office complex from Generali Deutschland AG and Commerz Real AG in September 2021. Situated between Besenbinderhof and Norderstrasse, the buildings have a lettable area of over 67,000 square metres plus ancillary areas and 500 underground parking spaces. The senior acquisition loan was provided by a syndicate comprising pbb Deutsche Pfandbriefbank as mandated lead arranger, Hamburger Sparkasse and Berlin Hyp.

When the lease with the main tenant, Generali Deutschland AG, expires at the end of 2023, B&L Group will implement a comprehensive refurbishment that puts an emphasis on sustainability and amenities, enhanced by the landscaped courtyards. The property is only a five minutes' walk away from Hamburg central railway station and will benefit from its planned expansion in the long term.

Ralf Kind, Head of Real Estate Debt at Edmond de Rothschild REIM, explains: "Despite working under immense time pressure, this large mezzanine loan, forming part of a complex overall financing structure, was successfully implemented by our team on time. This deal continues an impressive series of attractive debt investments for development projects, property acquisitions and sale-and-leaseback transactions in Paris, Amsterdam and Berlin that we have executed in recent months. The next deals, supported by a strong pipeline and accelerating national and international fundraising activities for the fund, are already in preparation."

In early December last year, Edmond de Rothschild's Real Estate Debt team completed another equity closing for the Edmond de Rothschild European High Yield I Real Estate Debt Fund. This increased the equity of the fund, which was launched at the end of 2020, to over EUR 100 million. The final closing, with a target volume of EUR 300 million, is set for December 2022. The Edmond de Rothschild REIM Real Estate Debt team also manages a separate fund, with a volume of EUR 180 million, for a German insurance group. Both these vehicles are participating in the financing transaction in Hamburg, as co-investors.

For over 50 years, the owner-managed B&L Group from Hamburg has stood for high-quality and cityscape-defining real estate developments throughout Germany, currently realising a project volume of around €2.6 billion. B&L Group's headquarters are located in the Holzhafen Hamburg Quarter, which was also developed by the Group.

Edmond de Rothschild was advised by a team led by Dr. Stephan Kock and Kira Müller at Goodwin Procter.

The Edmond de Rothschild European High Yield I Real Estate Debt Fund is a closed-ended fund domiciled in Luxembourg in the form of a SCA SICAV-RAIF. Alter Domus is the Alternative Investment Fund Manager.

DISCLAIMER

The Edmond de Rothschild Real Estate Debt Fund is exclusively reserved for professional investors and may be subject to restrictions for certain persons and in certain countries. The Fund does not guarantee or protect the capital invested, so that investors may not get back the full amount of their capital originally invested, even if their units are held for the recommended investment period. Any investment in the Fund is associated with certain risks, not limited to liquidity risk, concentration risk (investments in real estate) and currency risk. Any investment in the Fund may only be made on the basis of documents and information that comply with the applicable regulations.

ABOUT EDMOND DE ROTHSCHILD REIM

The Edmond de Rothschild Real Estate Investment Management platform acts through local operational entities in Switzerland, France, the UK, Benelux and Germany. It now comprises over 120 real estate experts in nine offices (7 countries) and manages real estate assets worth more than 12 billion Swiss francs (over EUR 12 bn).

ABOUT THE EDMOND DE ROTHSCHILD GROUP

Inspired by the conviction that wealth should be used to build the world of tomorrow, Edmond de Rothschild is an investment house specialising in private banking and asset management, serving an international clientele of families, entrepreneurs and institutional investors. The Group is also active in the areas of corporate finance, private equity, real estate and fund services. With its consistently family-managed character, Edmond de Rothschild has the independence necessary to propose bold strategies and long-term investments rooted in the real economy. Founded in 1953, the group now has CHF 168 bn of assets under management, 2,500 staff and 32 locations around the world.