

AROWNTOWN – CASE STUDIES



Frankfurt



Hamburg



Dresden



Leipzig



Berlin



Amsterdam



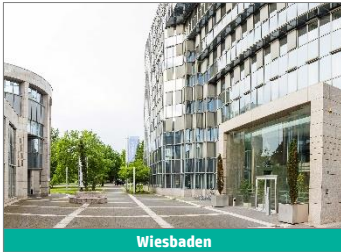
Stuttgart



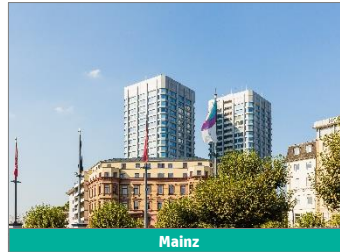
Rotterdam



Utrecht



Wiesbaden



Mainz



Essen

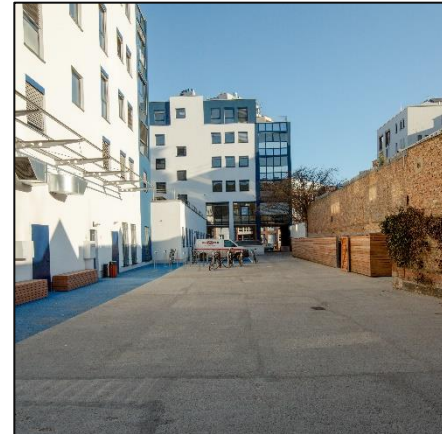


Munich

PROPERTY

The 9k sqm office property is situated at Potsdamer Platz, one of the prime centers in Berlin. Potsdamer Platz is one of the main business, leisure and transportation hubs in central Berlin, and is accessed by all modes of public transport. The property is located on Dessauer Strasse 3-5a, 10963 Berlin. Due to its central location the property benefits from a wide range of amenities within short walking distance including the Sony Center, the Mall of Berlin and the Potsdamer Platz Arkaden.

LOCATION



PROPERTY AT ACQUISITION

The asset was acquired with an existing vacancy of ca 30% highlighting the previous owners' inability to position the property at its full potential in its strong location in the most prime location in Berlin. The poor positioning and inefficient management by the previous owners also led to the asset being under-rented and contributed to a suppression of its true potential given its strong location.

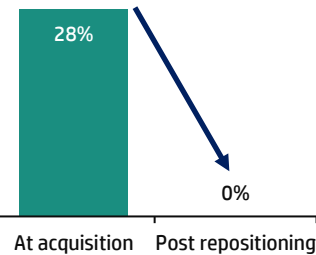
REPOSITIONING AND IMPROVEMENTS

Aroundtown has a hands-on approach and puts a strong focus on forging partnerships that are mutually beneficial to all stakeholders involved. AT actively engaged with the primary tenant to understand its requirements and was able to provide it with additional space that met its business objectives. By placing a high value on tenant satisfaction, AT built strong relationships and was able to improve rents to market rent levels.

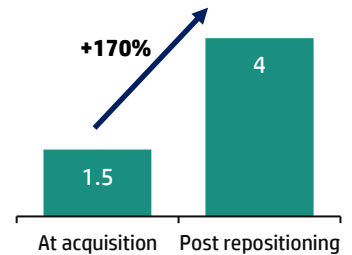
RESULTS

As a result of the positive actions, vacancy was eliminated. Additionally, Aroundtown was able to capture the reversionary potential of the asset and increased net rents by over 170% to €4m. Given that Berlin has one of the strongest office market developments and market rents are consistently rising, AT has positioned this asset well by increasing net rents to market levels while not further extending the WALT in order to capture future reversionary potential. Overall, Aroundtown was able to turn around an under-rented, mismanaged asset with average returns into a well managed, fully rented, highly profitable asset.

Vacancy reduction



Net rent increase (€m)

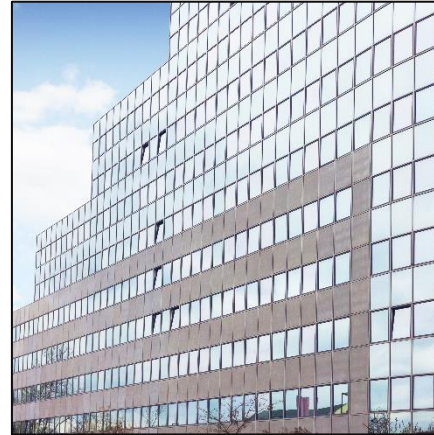
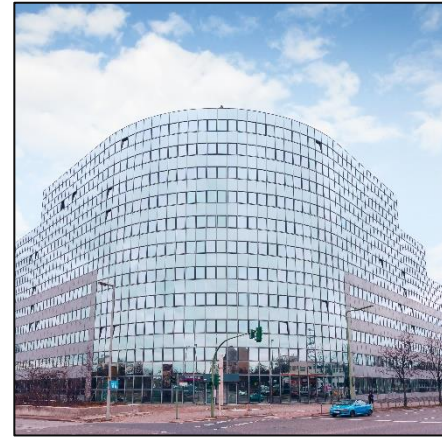
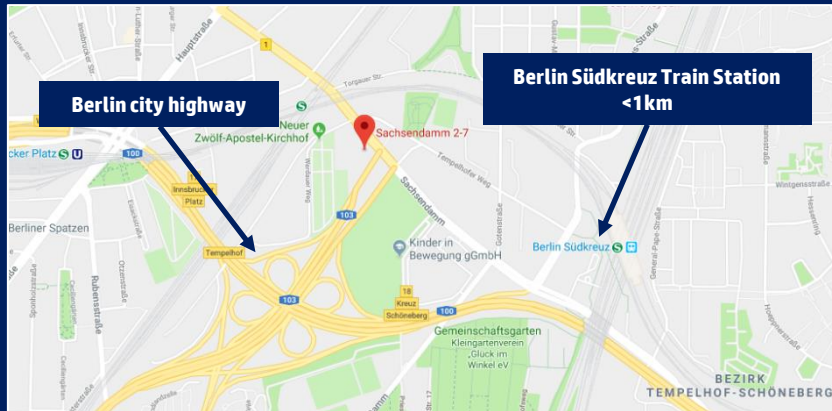


VALUATION GAINS OF +50%

PROPERTY

The property is located in a mixed-use area of office, retail and residential and sits right at the onramp for the ring highway, the S-Bahn station is minutes away by foot. Schöneberg is part of the western city center and one of the popular central districts in the city, where traditionally a large number of companies from the commercial, political, cultural, tourism and retail sectors have settled. The property on Sachsendamm 2-7, 10829 Berlin is a 5-10 story office building covering 17k sqm and is divided into 7 sections, each with its own access, staircase and lift.

LOCATION



PROPERTY AT ACQUISITION

This property was acquired in 2016 with multiple leases expiring shortly after the acquisition, bringing the vacancy to over 30%. As the previous owner intended to dispose the property, operations and tenant services were disregarded, leaving the property with high vacancy, low WALT and under-rented.

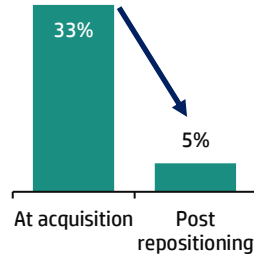
REPOSITIONING AND IMPROVEMENTS

AT implemented efficient repositioning plans upon the acquisition which were a collection of multiple steps that led to progress in all indicators. Vacancy was nearing over 30% including multiple tenants that were vacating in less than a year. AT initiated successful tenant restructuring activities and as a result, improved tenant satisfaction enabled AT to retain strong tenants while implementing rent increases. More importantly, its operational expertise and the property's sound location assisted AT in attracting further tenants to the property with higher rents, bringing the property to its nearly fully-let condition.

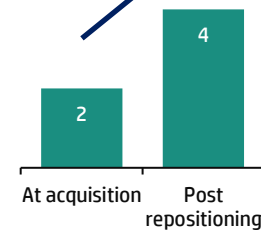
RESULTS

Vacancy is significantly reduced at higher rents and longer WALTs. Accordingly, net rent increased by over 130% to €3 million, with a further upside potential of over 50%, also reflecting the asset's attractive location. Effective repositioning efforts, substantial improvements and optimized cost structure in the asset manifest itself in the valuation gains of 220%.

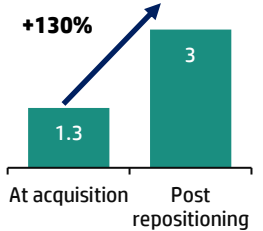
Vacancy reduction



WALT



Net rent increase (€m)



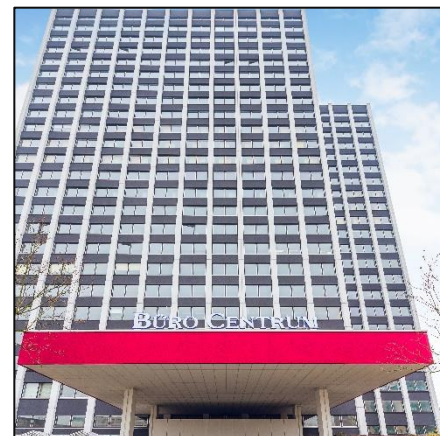
VALUATION GAINS
+220%

REVERSIONARY POTENTIAL
+50%

PROPERTY

The 26-story office building is located in the office district "Bürostadt Niederrad", right between Germany's largest Airport and the city center. The asset is located on Lyoner Strasse 44-48, 60528 Frankfurt with close proximity to the main highway as well as the suburban train. Furthermore, it comprises over 300 internal parking places as well as some additional external parking places. The property comprises 21k sqm.

LOCATION



PROPERTY AT ACQUISITION

At acquisition, the property had a significantly fragmented tenant base at high vacancy with a very short WALT demonstrating the previous owner's inability to attract & retain tenants on a sustainable basis. Some of the tenants had already given notice to the previous owner to vacate the building. Taking into account the tenants whose contracts were already expiring in less than a year during the acquisition, the property was at over 50% vacancy level.

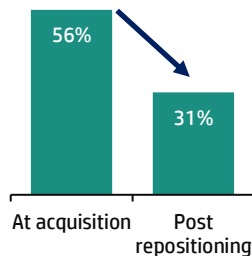
REPOSITIONING AND IMPROVEMENTS

Aroundtown managed to restructure the tenant mix by bringing in stronger tenants at higher rents including a government tenant taking on a larger space, replacing lower quality tenants occupying smaller spaces at low rents.

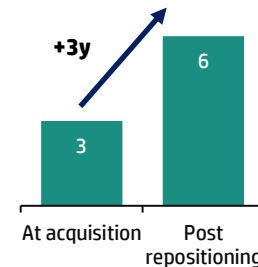
RESULTS

As a result, the WALT doubled to 6 years. In addition, AT was able to capture the higher rent potential by restructuring the tenant mix which increased net rents by 100% to €2m. Taking into account improvements on all fronts, the asset's value gained over 120%.

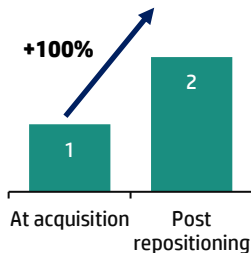
Vacancy reduction



WALT



Net rent increase (€m)



VALUATION GAINS

+120%

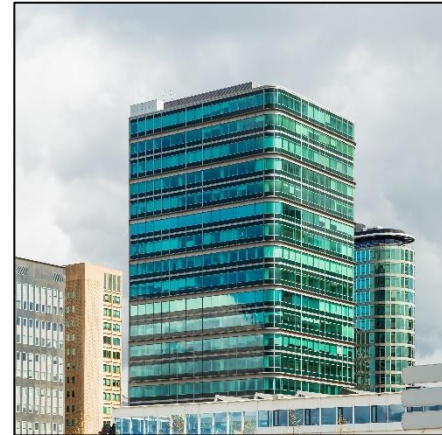
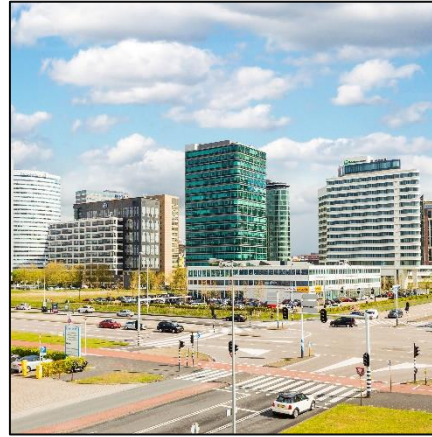
REVERSIONARY POTENTIAL

+90%

PROPERTY

The 14k sqm office complex is strategically located in the heart of Amsterdam South-East's office district. The building is next to the Johan Cruijf Arena (Ajax Stadium) and the Ziggo Dome, on De Entree II, De Entree 230-266, 1101 EE Amsterdam. The building reception houses a cafe and the office floors are easily divisible into smaller parts, allowing flexibility required to meet smaller tenant requirements.

LOCATION



PROPERTY AT ACQUISITION

When the property was acquired in 2016, the asset management was neglected, tenant needs were not attended and the significant potential of the property was not capitalized. Most of the tenants had already given notice to the previous owner to vacate the building. Taking into account the tenants whose contracts were already expiring in less than a year during the acquisition, the property was at nearly 80% vacancy level.

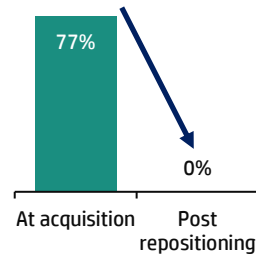
REPOSITIONING AND IMPROVEMENTS

Following the acquisition, AT was able to implement successful tenant restructuring steps which improved the tenant satisfaction with existing tenants that led to renewals. Multiple strong profile tenants that were already vacating the building in less than a year extended their lease under AT's management. Additionally, AT was able to fill up the vacancies with strong new tenants, benefitting from the property's sound location and connectivity. Owing to its extensive letting network and proven operational performance, AT was able to fill up all the vacancies with higher rents.

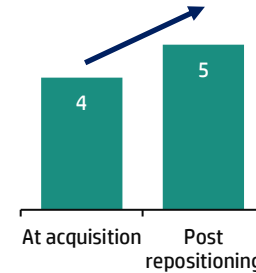
RESULTS

AT successfully capitalized on its expertise and the property's location. As a result, the vacant spaces were fully let at significantly higher rents, increasing the WALT to 5 years. Net rental income increased substantially by 400% to €2.5 million per year. Robust repositioning efforts and improvements lifted the value of the property by over 50%.

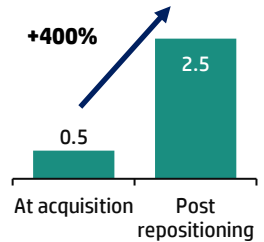
Vacancy reduction



WALT



Net rent increase (€m)

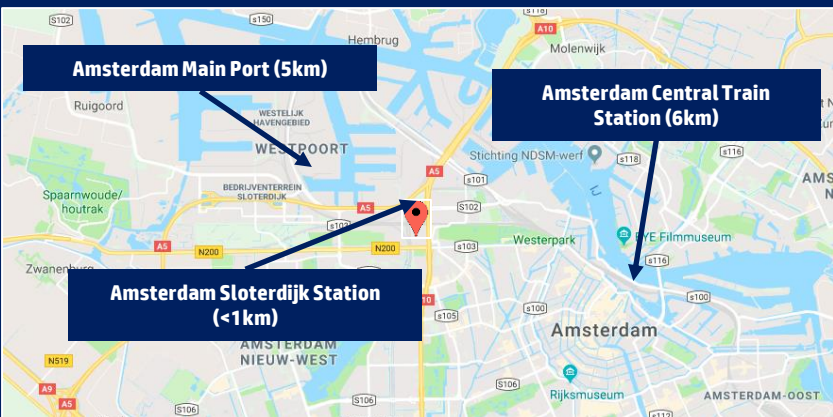


VALUATION GAINS OF >50%

PROPERTY

The 12k sqm office building is situated in the district Westpoort, a major business district in the Netherlands, close to the harbor and short walking distance to the Amsterdam Sloterdijk train station, which services train, underground, tram and bus lines. Furthermore, the A5 and A10 highways which lie close to the property on Arlandaweg 100, 1043 HP Amsterdam provide good connectivity with the rest of the region including Amsterdam Schiphol Airport, Europe's third largest airport, which is around 15 minutes by car.

LOCATION



PROPERTY AT ACQUISITION

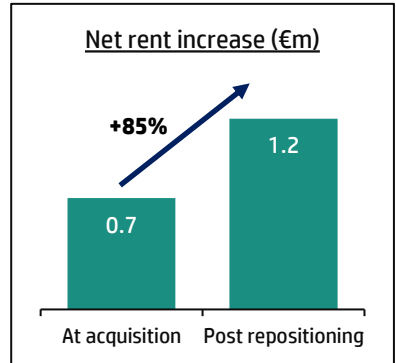
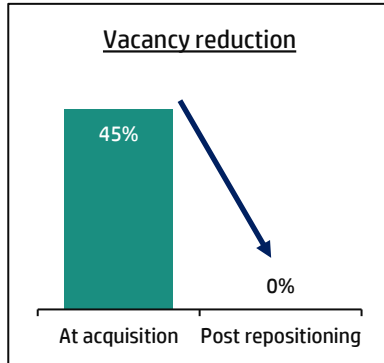
Aroundtown acquired the property in 2016. Asset management was disregarded by the previous owner, leaving the asset with 45% vacancy despite its strong location and connectivity to the main port of Amsterdam.

REPOSITIONING AND IMPROVEMENTS

Aroundtown's experienced management team was able to implement effective repositioning plans upon the acquisition of the property. Combined with targeted marketing activities, shortly after the acquisition, a large majority of the vacant area was let to a strong international tenant which hosts its main Dutch business in this property. AT's strong tenant service convinced the new tenant to expand further into the remaining vacant areas, bringing the asset to its fully let condition.

RESULTS

Through its successful initiatives, AT fully reduced the vacancy and thus increasing the rental income by 85% to €1.2 million. Due to Amsterdam's strong office markets and increasing market rents, the property has a reversionary rent potential of over 10%. This strong performance, reflecting itself in the operational achievements, resulted in high valuation gains of over 30%.



VALUATION GAINS
+30%

REVERSIONARY POTENTIAL
+10%

PROPERTY

The office complex in the Amsterdam business district Overamstel is situated right next to Amsterdam's ring highway, the A10. The office property covers 9k sqm and is situated on Joop Geesinkweg 201-224, Amsterdam.

LOCATION



PROPERTY AT ACQUISITION

The former owner was a private equity fund which bought the property through a large NPL portfolio with the intention to sell off some of the portfolio's assets. Thus, the asset management was neglected and the property's potential untouched: high vacancy of over 20% was already reaching 50% with upcoming expiries as tenants were neglected.

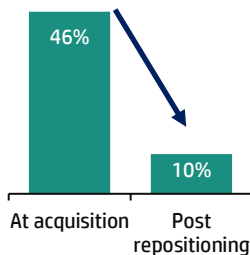
REPOSITIONING AND IMPROVEMENTS

Quickly after the acquisition, Aroundtown followed an extensive repositioning and tenant restructuring for this property. Demands of the existing tenants were disregarded by the previous owner which left some of the tenants dissatisfied with the condition at the time. Aroundtown's tenant restructuring led to an expansion of a strong tenant into much larger space. Owing to its extensive letting network, AT also signed leases for a significant portion of the remaining vacancies. AT's focus on building long-term strategic relations with its tenants helped more than doubling the WALT and brought the property to a condition of being nearly fully let.

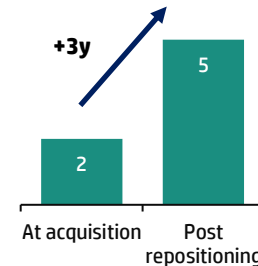
RESULTS

All the renewal and letting activities supported reducing the vacancy to 10%, increasing the WALT by 3 years to 5 years and increased the net rents by over 30% to €1 million per year, which all supported the value creation in the property. This is reflected in valuation gain of over 60%. Reversionary rent potential of over 30% demonstrates the strong upside prospects of the property.

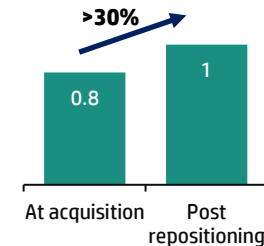
Vacancy reduction



WALT



Net rent increase (€m)



VALUATION GAINS
>60%

REVERSIONARY POTENTIAL
>30%

PROPERTY

This 9k sqm office building is situated in the East of Utrecht on Daltonlaan 300, 3584 BK Utrecht, next to the Utrecht science park, the largest science park in the Netherlands, the university hospital and the Rijnsweerd traffic junction, the city's main eastern highway junction. The science park and the area surrounding the office property is home to a variety of university buildings as well as offices.

LOCATION



PROPERTY AT ACQUISITION

This property was acquired in 2016 from a private equity fund which intended to divest the property, holding off the asset management. As tenant service was neglected, the single tenant in the property was already vacating, bringing the vacancy to 100%. The previous management was not able to retain the existing tenant nor attract new tenants for the property.

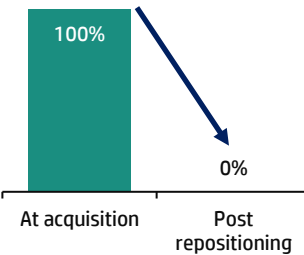
REPOSITIONING AND IMPROVEMENTS

Profiting from the recent developments in the surrounding area which provides good connectivity to all parts of the city, as well as from its large-scale letting network, AT was able to fully let the property to strong tenants. Tenant satisfaction was significantly improved which led the anchor tenant to expand further in the property by relocating the rest of its operations into this asset.

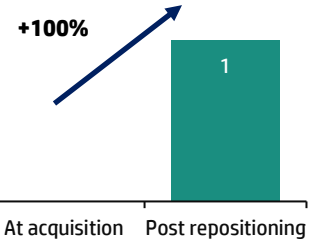
RESULTS

The continuous repositioning process of bringing the occupancy to 100% and contractual rent to €1 million, all increasing from zero, uplifted the value by over 125%. Over 25% reversionary potential also testifies the strength of subsequent market improvements in the area.

Vacancy reduction



Contractual rent increase (€m)



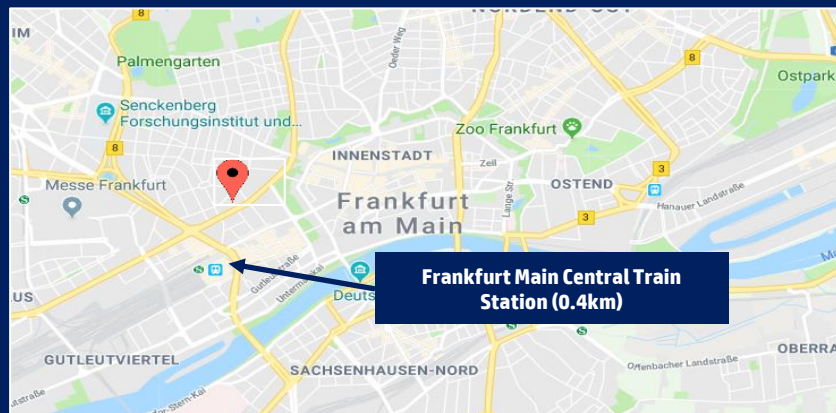
VALUATION GAINS
>125%

REVERSIONARY POTENTIAL
>25%

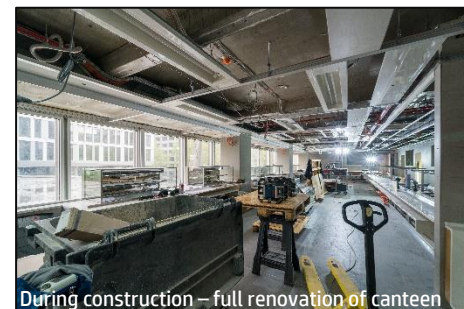
PROPERTY

The 40-story property is an office skyscraper standing 140m tall, located in Frankfurt's prime central business district. The office center comprises 43k lettable sqm and over 500 parking spaces. The surrounding area is characterized by various office buildings of large DAX corporations such as Deutsche Bank. Frankfurt's main train station and a subway station are in short walking distance.

LOCATION



During construction – new kindergarten



During construction – full renovation of canteen



After construction – new kindergarten



After construction – full renovation of canteen

PROPERTY AT ACQUISITION

The property was acquired in 2016 from a fund selling its assets out of a restructuring situation. Prior to acquisition the property was operationally underperforming and mismanaged, resulting in an under-rented property, vacancy was at 50% with a short WALT and a high dependency on a large tenant, who had already decided to move to another building.

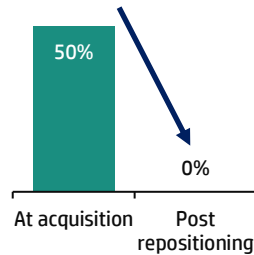
REPOSITIONING AND IMPROVEMENTS

Prior to acquisition the management determined a detailed business plan which enabled to reposition the property within short time and create value. Thorough analysis and deep knowledge of demand & supply in the location, together with a wide letting network, resulted in signing a lease with the Bundesbank until 2028 with extension options at discount to current market rent but at 25% above the actual in-place rents. Following the signing of the lease, Aroundtown undertook a full renovation and repositioning of the property in order to lift its potential. This included new technical systems, a new kindergarten & renovation of canteen and parking areas.

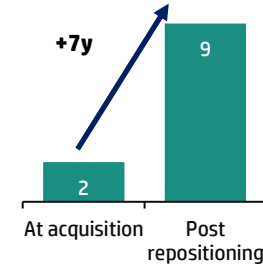
RESULTS

The result was a long-term lease with the best possible top tier tenant in Germany. Improvements in the property and its tenant structure led to a valuation uplift of 200% since the acquisition with further upside potential embedded.

Vacancy reduction



WALT



MARKET RENTS

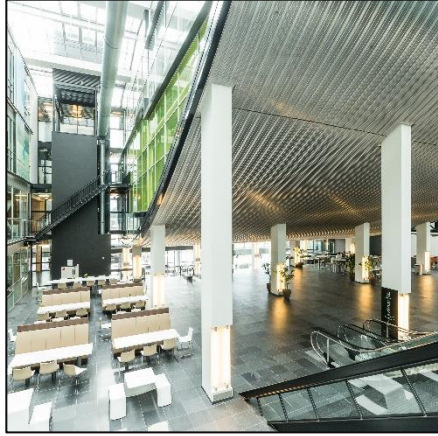
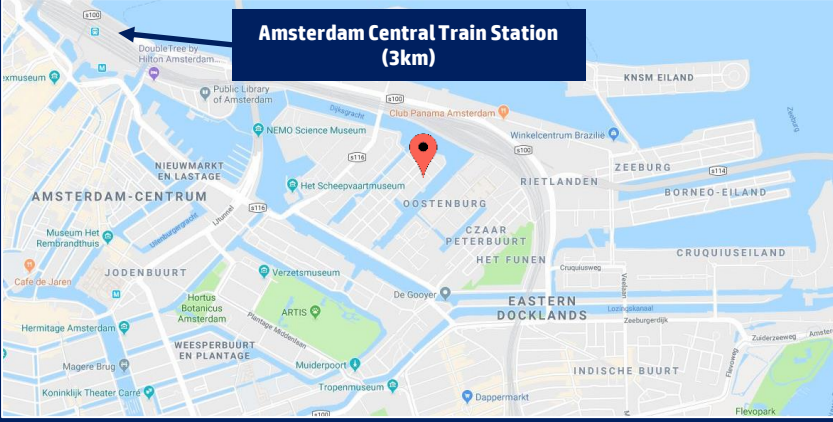


VALUATION UPLIFT OF 200%

PROPERTY

This 34k sqm office property located in the center of Amsterdam is an iconic landmark creating a destination for tenants. The building is one of very few large scale buildings in the immediate vicinity of Amsterdam city center and has good accessibility by car and public transportation, few minutes distance from Amsterdam central train station.

LOCATION



PROPERTY AT ACQUISITION

At acquisition the property was mismanaged and under-rented with a vacancy of 13% and rent under market rents. The former owners neglected their asset management activities when they decided to divest the property.

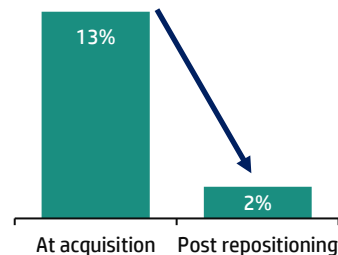
REPOSITIONING AND IMPROVEMENTS

Purchased in 2016 from a private equity fund NPL portfolio, AT converted a part of the property's large lobby space into additional lettable office area & created an extension of the restaurant on the first floor. Several development projects in the vicinity have been completed after takeover, which improved the location's attractiveness. Through its established leasing platform in the Netherlands, AT was able to secure additional tenants & let all vacant areas, resulting in an increase in contractual rents of 15% & full occupancy. Furthermore, an approval was received from the municipality to build 50 additional parking spaces on the roof of the property with a potential of additional income.

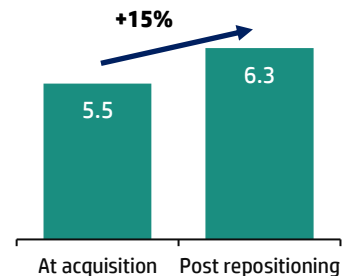
RESULTS

The repositioning and operational improvements resulted in a value uplift of nearly 30%. As rents are below market, there is reversionary rental potential of 20% to be realized from increasing rents to market levels as leases expire. Furthermore, the district in which the property is situated is experiencing strong demand, with several mixed-use development projects on plots surrounding the property, which aim to create a vibrant district with residential, retail and office, targeted to be finalized by 2023, further enhancing the asset value.

Vacancy reduction



Net rent increase (€m)



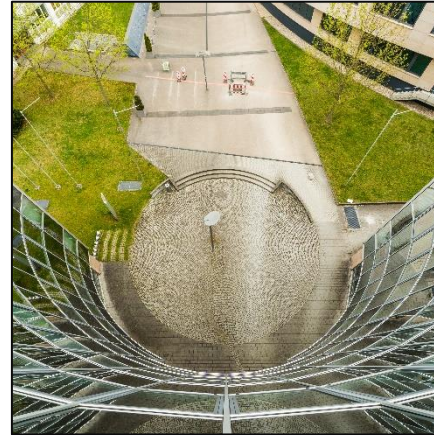
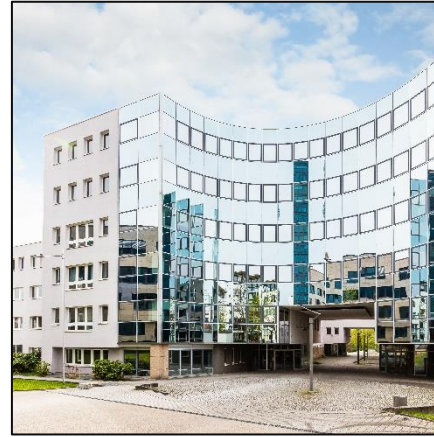
VALUATION GAINS
>25%

REVERSIONARY POTENTIAL
+20%

PROPERTY

The 14k sqm office property is a modern building consisting of 6 floors and consists of four parts. The property is located in Stuttgart's Vaihingen district, south of the city center, where Stuttgart's university and regional government are located. The property is located next to the train station, S-Bahn and U-Bahn and benefits from easy and fast access to the city center. The area is home to offices of large German companies such as Siemens, Dekra, Daimler and more.

LOCATION



PROPERTY AT ACQUISITION

The property was acquired in 2017 after the main tenant (>80% of lettable space at the time) had vacated the property, leaving it almost fully vacant.

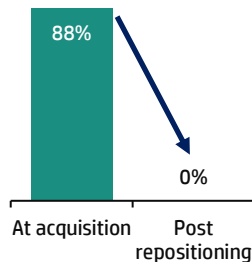
REPOSITIONING AND IMPROVEMENTS

Aroundtown was able to immediately let the vacated space to a large, investment-grade tenant at rents over 15% higher than previously. The tenant is active in the electric cars industry, which makes the property the ideal location due to the dense car manufacturer industry in the region. The tenant initially took approx. half of the vacant space, later taking up another large portion, and finally taking up the last remaining vacant space at the property. Within a year of takeover, the property was fully occupied and the WALT increased to over 4 years.

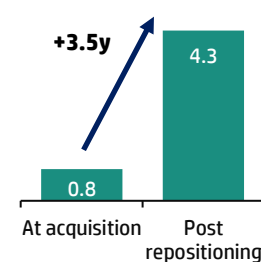
RESULTS

The property is fully occupied after repositioning with annual net rent increased to almost €2 million, let primarily to a strong, multinational tenant, with a WALT of over 4 years. As such, Aroundtown was able to realize a value increase of over 75%. The asset was rented below market rent due to heavy investment by the tenant with over 20% additional upside in reversionary rent potential.

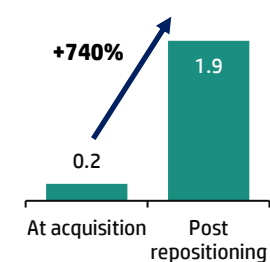
Vacancy reduction



WALT



Net rent increase (€m)



VALUATION GAINS

+75%

REVERSIONARY POTENTIAL

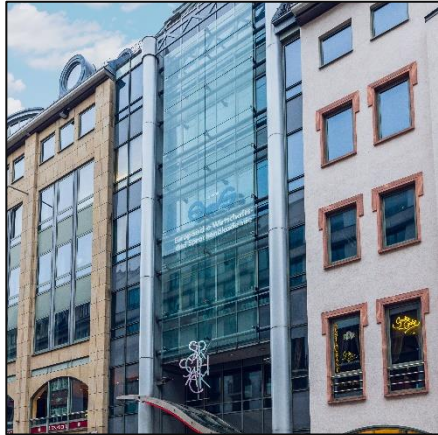
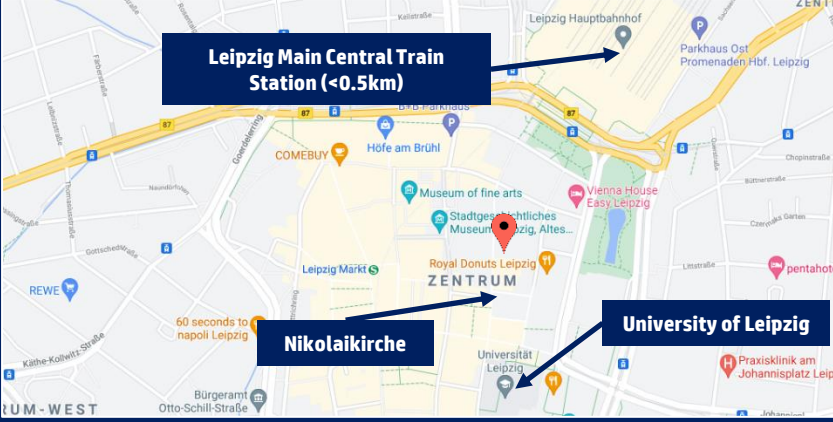
+20%

CASE STUDY – LEIPZIG CITY CENTER NIKOLAIKIRCHE (OFFICE/RETAIL)

PROPERTY

This 13k sqm mixed-use property is composed of office and retail space. The asset is located in Leipzig's prime location, the pedestrian promenade 'Nikolaistraße', next to the historic church Nikolaikirche, and thus benefits from superior visibility and exposure to potential customers. The location also makes it ideal for offices due to the short walk to the central station as well as from the surrounding amenities.

LOCATION



PROPERTY AT ACQUISITION

The vacancy stood high at 35% when the property was acquired in 2015 through a bank restructuring.

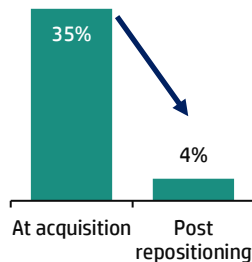
REPOSITIONING AND IMPROVEMENTS

Since acquisition, Arowntown was able to lease the vacant area to strong tenants, such as the State of Saxony, at significantly higher rents at market levels and brought the property to its nearly fully-let condition.

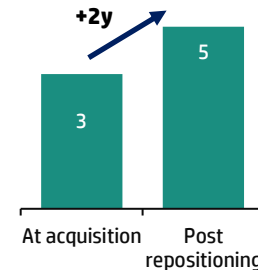
RESULTS

By increasing the occupancy and in-place rent, particularly the addition of a large, municipal government tenant, an increase of 150% in annual net rent was achieved while significantly strengthening the tenant mix and increasing the WALT to close to 5 years. The property's value increased as a result by nearly 200%.

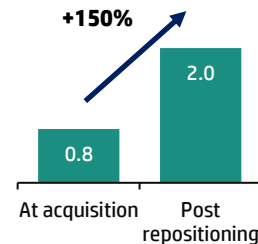
Vacancy reduction



WALT



Net rent increase (€m)

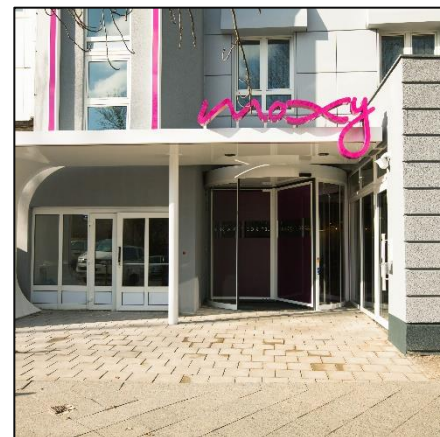
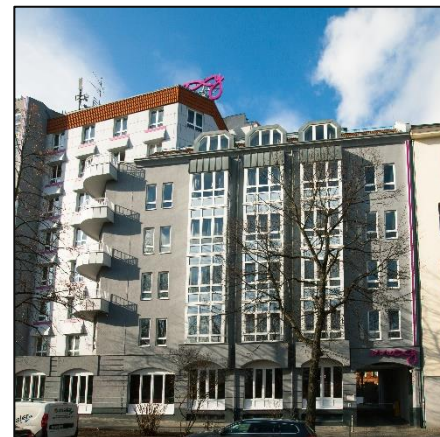
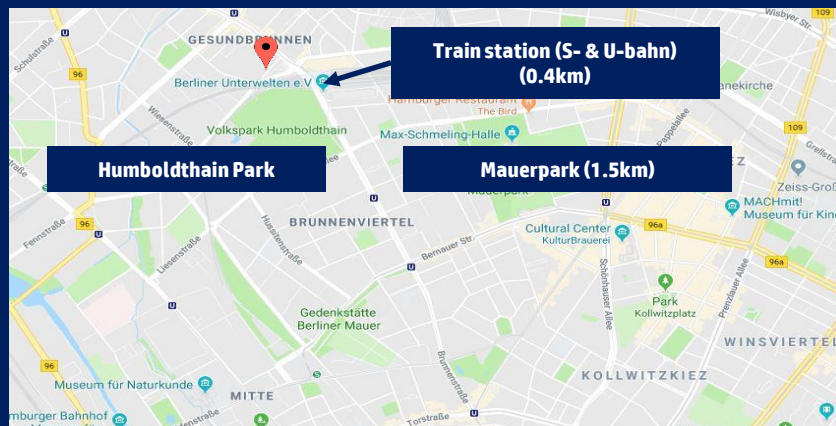


VALUATION GAINS
+200%

PROPERTY

These hotel assets are located side-by-side in the central Berlin district of Mitte, benefiting from strong public transport links as they are situated directly across from a major railway station serving many S-Bahn lines and long-distance trains, as well as an U-Bahn line and buses. The Moxy hotel offers 101 rooms while the AC hotel offers 130 rooms. The properties are situated immediately north of the Humboldtthain Park which contains an outdoor swimming pool, rose gardens, playgrounds and an historic tower with views of the city.

LOCATION



PROPERTY AT ACQUISITION

The hotel property was acquired as a vacant single hotel in 2017 as the operator at the time, Holiday Inn, was set to vacate. The property was undermanaged and failed to meet its potential by focusing mostly on corporate clientele without aiming at Berlin's strong leisure market.

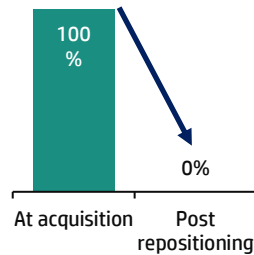
REPOSITIONING AND IMPROVEMENTS

Aroundtown realized its ability to maximize value through its long-term experience in the hotel market, and a specific business plan was tailored. With the building vacated, AT immediately proceeded to reposition the asset by dividing it into two separate hotels & renovating them in order to capture a larger clientele by offering two different products in a single location. Afterwards, signed 25-year contracts with Marriott for both hotels with two of their well-known brands – Moxy and AC by Marriott. While corporate clients remain a key clientele, the Moxy hotel is a colorful, modern, boutique-style experienced catered more towards younger travelers, more suited to the location & surroundings.

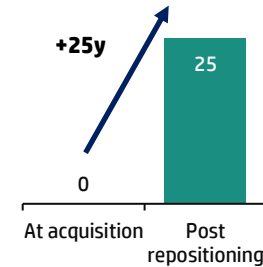
RESULTS

With the opening of the Moxy hotel in the beginning of 2018 and the AC hotel by the end of 2018, a rent of ca. €2 million was achieved. The asset comprises two strongly-branded hotels within the Marriott hotel group, the largest hotel group in the world. The resulting value uplift amounted to 50%

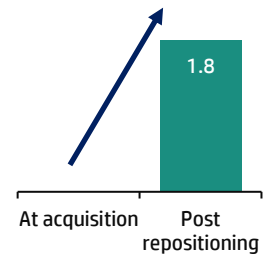
Vacancy reduction



WALT



Net rent increase (€m)



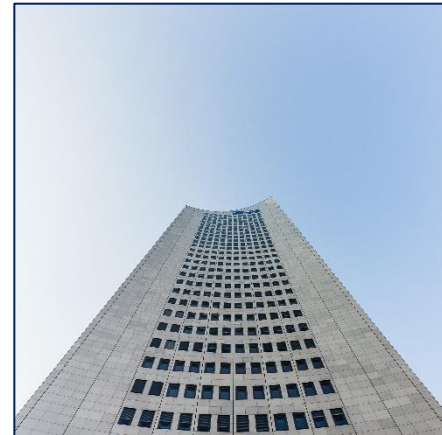
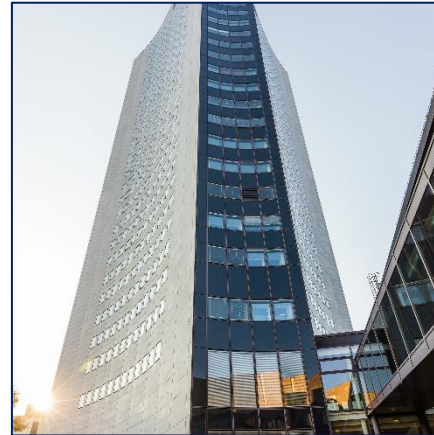
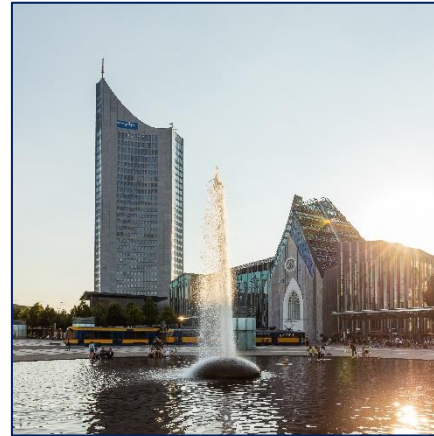
VALUATION GAINS
+50%



PROPERTY

This 36-floor, 26k sqm high-rise office tower is a landmark building located in the heart of Leipzig, in the city center directly adjacent to the main campus of Leipzig University, the Nikolai church and the city's main train station. Additionally, there are two more S-Bahn stations in walking distance to the property. At 142m tall, this property is the tallest building in Leipzig, with the roof equipped with a viewing platform with city views.

LOCATION



PROPERTY AT ACQUISITION

The property was acquired in mid-2016 from a bank restructuring process, with high vacancy of 35% and WALT of 3.5 years due to neglect of active asset management and letting activities.

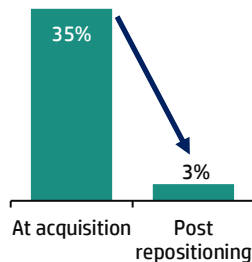
REPOSITIONING AND IMPROVEMENTS

Aroundtown was able to reposition the asset by utilizing its extensive letting network, thus effectively marketing the property to new strong tenants as well as engaging existing tenants and improving the tenant service, resulting in the almost full occupancy. The new leasing achievements are a mix of attracting new tenants as well as extending the lease with an existing tenant for additional space while also increasing their lease term.

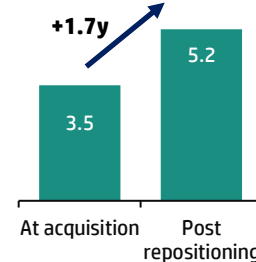
RESULTS

The successful lease-up of the property led to an increased WALT of over 5 years, vacancy of only 3%, and a 20% increase in net rents. These strong operational improvements drove the significant value increase of over 50% since acquisition. The strength of the property's top tier location is also exhibited by the strong growth in market rents, further increasing reversionary potential post repositioning.

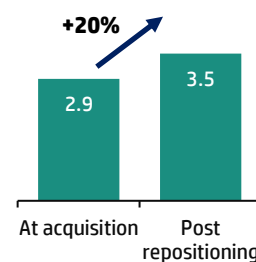
Vacancy reduction



WALT



Net rent increase (€m)



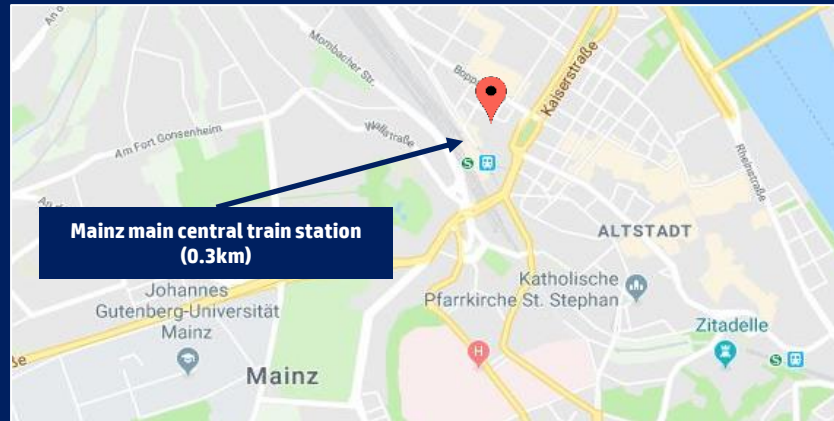
VALUATION GAINS
>50%

REVERSIONARY POTENTIAL
+35%

PROPERTY

These twin office towers comprise a total of 33k sqm and are the tallest buildings in Mainz, the capital of the state of Rhineland-Palatinate, serving as an orientation anchor for many of the city's residents. The asset is located in the prime center of the city, next to the main train station and the old city, neighboring the St. Bonifaz church. The underground space offers a 24-hour parking facility.

LOCATION



PROPERTY AT ACQUISITION

As the property went through a bank restructuring process it was operating below its potential with a vacancy of 16% and a short WALT of under 3 years.

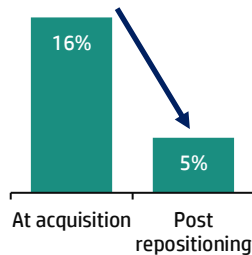
REPOSITIONING AND IMPROVEMENTS

Aroundtown revived the asset by implementing measures of pro-active tenant and asset management. Neglected tenants were approached to improve tenant satisfaction and engage lease extension options and the letting activity was initiated to attract new tenants. The strong leasing strength and marketing efforts led in short period of time to vacancy reduction by attracting both new tenants and additional take-up with existing tenants, bringing the vacancy down to 5%.

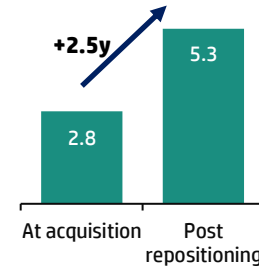
RESULTS

Aroundtown's achievements lifted the net rent by 20% and nearly doubled the WALT to over 5 years while nearly eliminating the vacancy entirely. The resulting valuation uplift of over 70% was largely driven by these operational gains achieved since acquisition. Due to market developments in its strong central location the property embeds further revisionary potential.

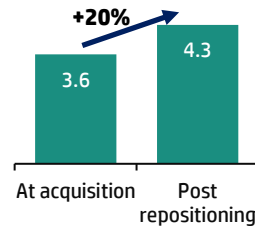
Vacancy reduction



WALT



Net rent increase (€m)



VALUATION GAINS

+70%

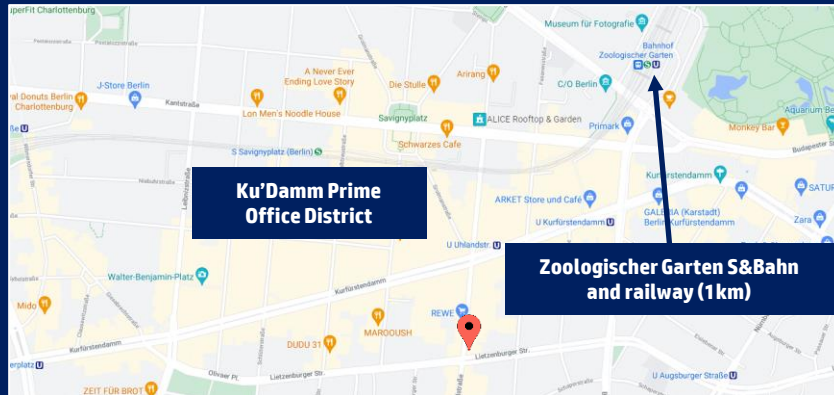
REVERSIONARY POTENTIAL

+80%

PROPERTY

This 5k sqm office building is located in Berlin's western prime center, Ku'Damm office market, attractive for both prime retail and prime offices. Various options of public transportation are available, including U-Bahn and a range of bus lines. In addition, the Bahnhof Zoologischer Garten, one of Berlin's main train stations, is situated within walking distance from the property on Uhlandstraße 165, Lietzenburger Str. 72, 10719 Berlin, providing regional and inter-regional connections.

LOCATION



PROPERTY AT ACQUISITION

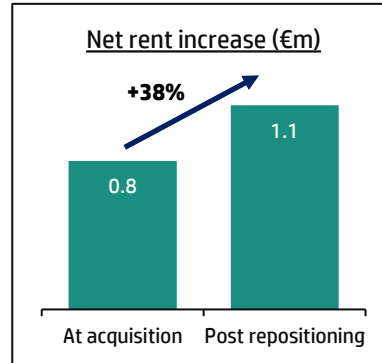
When the property was acquired, its significant potential was largely untapped. The in-place rent at the time was substantially lower than the market rents and the previous owner was not able to step it up to the market level with the existing tenants.

REPOSITIONING AND IMPROVEMENTS

As the contracts started expiring, AT was able to successfully attract new tenants at market rents including a global tech company that moved its global headquarters to the property. Given the consistently increasing office rents in the region, the property is well-positioned to extract a further reversionary potential of over 50%.

RESULTS

Through successful reletting activities, AT was able to increase the net rental income by 38%. This post repositioning in-place rent still reflects more than 50% reversionary potential to be extracted. The valuation gain of over 150% since the acquisition reflects the significant improvements in the rent generation capacity of the assets, as well the strength of the Ku'Damm office market.



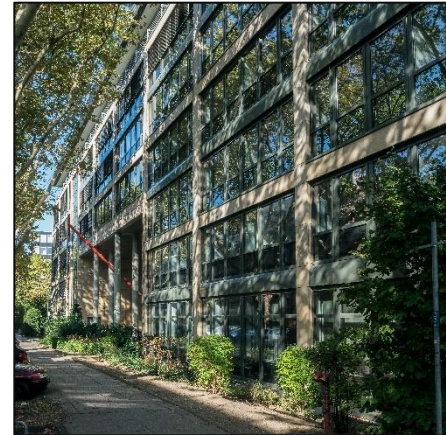
**REVERSIONARY
POTENTIAL >50%**

**VALUATION GAINS
>150%**

PROPERTY

This large, 13k sqm, office complex is situated next to the city park “Stadtgarten”, walking distance from the city’s main central train station. In addition, there are several U-Bahn stations in close proximity. The property on Baumstraße 25, 45128 Essen additionally includes over 300 parking units, providing strong connectivity. The property is located in a mixed-use commercial and residential area.

LOCATION



PROPERTY AT ACQUISITION

When the property was acquired, some of the key tenants were already considering to cut back their space and relocate into their existing offices. As a result, the vacancy was nearing 30%. The property was not managed to its full potential, and it was under-rented.

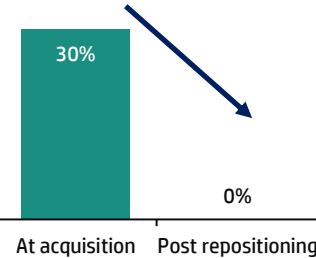
REPOSITIONING AND IMPROVEMENTS

After the acquisition, Aroundtown took on its active asset management approach and engaged with the vacating tenants. As Aroundtown brought its large network and expertise, it quickly repositioned the asset and brought in a global blue-chip company, eliminating the vacancy completely.

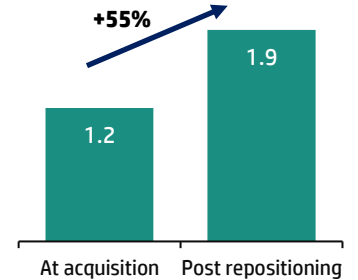
RESULTS

The asset is fully-let with a net rental income growth of 55%. Through its successful asset repositioning activities, AT created over 80% value since acquisition.

Vacancy reduction



Net rent increase (€m)



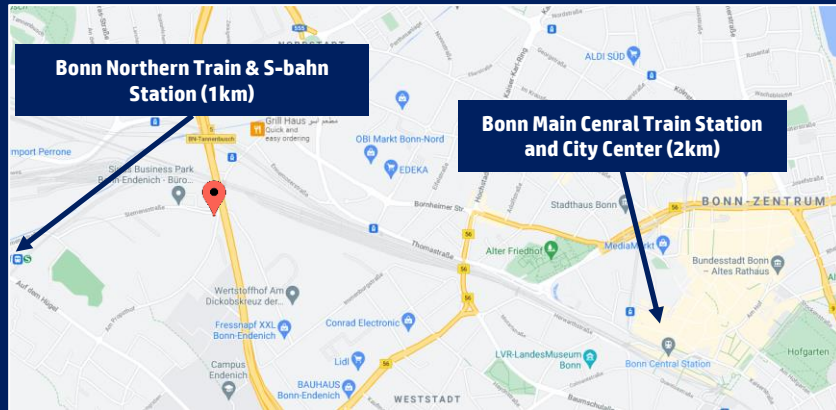
VALUATION GAINS
>80%

REVERSIONARY POTENTIAL
+25%

PROPERTY

The property is well situated approximately 2km from Bonn city center and the main train station, in the district of Endenich, a neighbourhood characterized by multi-storey office buildings. The site is located on Am Propsthof 72-80 / Siemensstr. 1-13, 53121 Bonn, in the direct vicinity of the A565. The office property covers 30k sqm.

LOCATION



PROPERTY AT ACQUISITION

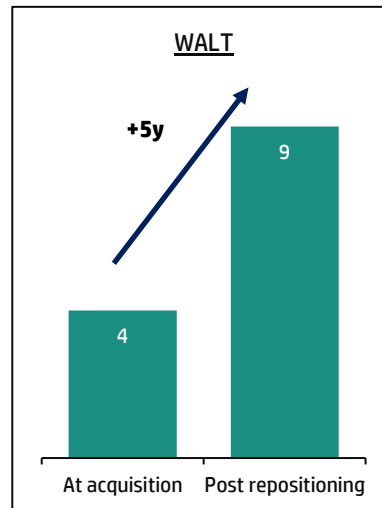
The property's full potential was significantly under-tapped prior to the acquisition. Despite its strong anchor tenant, there was uncertainty regarding the sustainability of the lease conditions upon its expiry.

REPOSITIONING AND IMPROVEMENTS

The property was let to a strong government tenant. After the acquisition, AT actively engaged with the tenant to understand the tenant's needs. Comfortably before the expiry, Aroundtown proactively revised the contract and signed a new 9-year lease with strong and sustainable conditions. This engagement provided more clarity, improved the business profile of the property and subsequently resulted in a significant value creation.

RESULTS

AT extended the lease with the main tenant which resulted in a WALT of 9 years, compared to 4 years WALT at acquisition. Successful repositioning and business profile improvements resulted in a value creation of 145%.

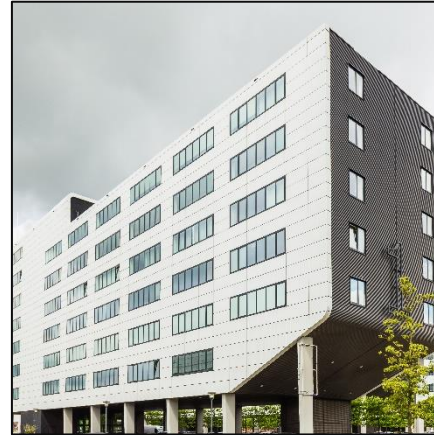
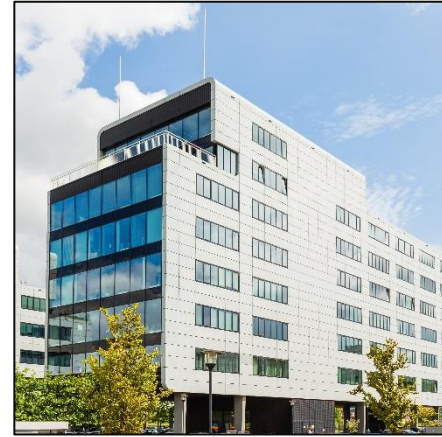
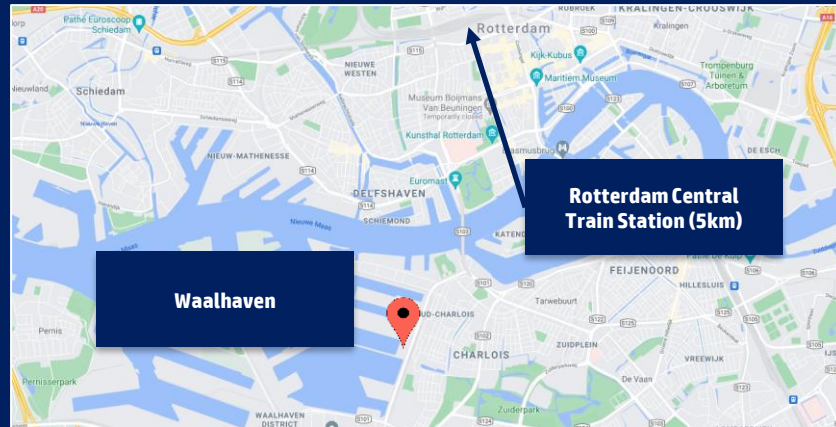


**VALUATION GAINS OF
+145%**

PROPERTY

The office property is located in the port of Rotterdam, the largest port of Europe. There are several tram and bus stops in close proximity to the 6k sqm property. The office building is situated in one of Rotterdam's main harbor basins, the Waalhaven. The property on Waalhaven Oostzijde 83, 3087 BM Rotterdam benefits from a strong economical micro-environment with branches of large international engineering and shipping companies in its immediate vicinity.

LOCATION



PROPERTY AT ACQUISITION

The previous owner lacked a clear market understanding for the property, as a result areas weren't utilized efficiently and the quality proposition didn't match the demand. The property had a vacancy of 29%, with the largest tenant having given notice and vacating at takeover. In addition, the rent level of the existing leases was below market potential.

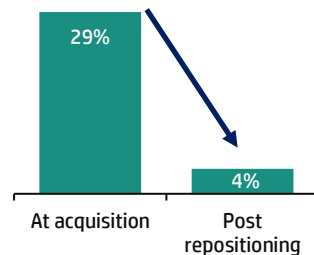
REPOSITIONING AND IMPROVEMENTS

During the due diligence phase the team identified the upside potential of the property, which ranged from improving floor layout targeting efficiency and upgrading outdated facilities and fit-outs. With targeted capex the upside potential was lifted, the vacant areas saw significant uplift in quality and the layout was brought in line with local demand resulting in strong demand from prospective tenants at significantly higher rental levels.

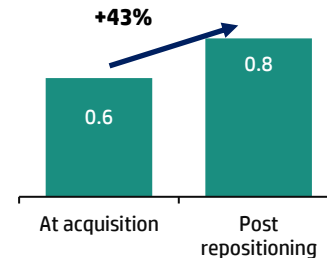
RESULTS

New leases have been signed with several tenants, resulting in the property being almost fully let. The new leases were signed at significantly higher rents due to the increased quality proposition of the space, resulting in an increase of net rental income by 43% to €0.8m p.a., the improved operations lead to valuation gains of over 75%. In addition, several of the leases that were in place at acquisition will expire in the coming years allowing AT to catch the embedded rental upside for these spaces, which amounts to over 30%.

Vacancy reduction



Net rent increase (€m)



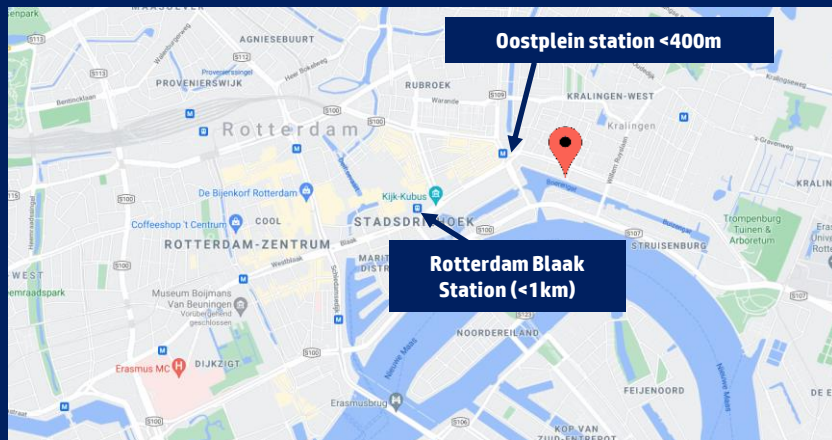
VALUATION GAINS
>75%

REVERSIONARY POTENTIAL
>30%

PROPERTY

This 18k sqm office property is situated in the centre of Rotterdam and takes up a prominent spot on the quay of one of the cities central harbours. Rotterdam Blaak train station, one of Rotterdam's main train stations, as well as several underground and tram stations, are within walking distance of the property on Admiraliteitskade 62, 3063 ED Rotterdam, providing good connectivity by public transport. The property further benefits from parking facilities with over 300 parking places.

LOCATION



PROPERTY AT ACQUISITION

When the property was acquired in 2017 from the occupier, the occupier had already vacated part of the property and had indicated their desire to further reduce space in the property. The occupier had only been able to find sub-tenants for part of its unused space, and as a result around 10% of the area was not being used.

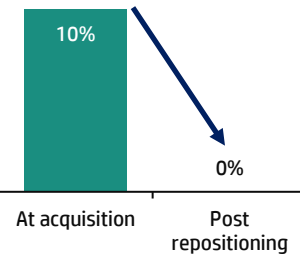
REPOSITIONING AND IMPROVEMENTS

The office was transformed for multi-tenant use, office floors were renovated, meeting rooms were added, and the entrance and common spaces were completely refurbished. In addition, several amenities were added, such as a coffee corner and a new restaurant with rooftop terrace.

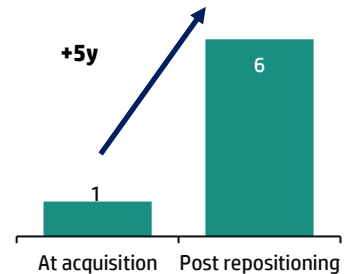
RESULTS

Through the upgrades made to the property the lease with the main tenant was prolonged. Additionally, through its tenant management and the increased quality proposition of the property, Aroundtown was able to sign new leases with the sub-tenants and sign leases for the remaining areas with several strong new tenants. As a result, the WALT of the property increased significantly, while bringing the property to full occupancy, driving strong revaluation gains of over 100%.

Vacancy reduction



WALT



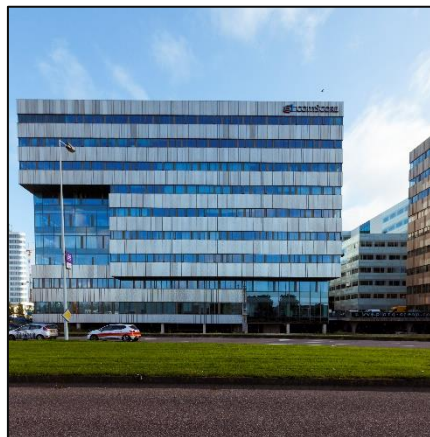
VALUATION GAINS
>100%

REVERSIONARY POTENTIAL
>10%

PROPERTY

The 6k sqm office property is situated on the main road in one of Amsterdam's prime office districts Amsterdam South-East, home to the Johan Cruijff Arena (Ajax stadium), Ziggo Dome and the university hospital, AMC one of the largest and leading hospitals in the Netherlands. The A2 highway, one of the main highways in the country, can be reached in just a few minutes, connecting the property on Herikerbergweg 240, 1101 CT Amsterdam to the rest of Amsterdam as well as the surrounding metropolitan area.

LOCATION



PROPERTY AT ACQUISITION

The asset management of the property was mismanaged by the previous owner and thus the letting situation was significantly below market standards in the immediate vicinity. As a result, the vacancy was high at 22% and the rent was below market levels.

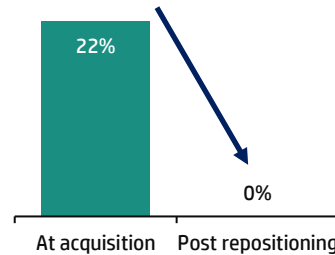
REPOSITIONING AND IMPROVEMENTS

Through active tenant management and its large network, as well as its strong position in the local market, Arowntown was able to create significant interest in the property. This allowed the Company to attract both new tenants as well as optimize its tenancy structure in surrounding properties, increasing rent and tenant satisfaction throughout the portfolio.

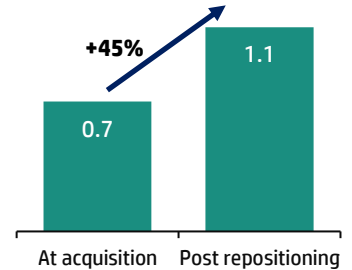
RESULTS

As a result of its tenant management and letting activities Arowntown was able to improve tenant satisfaction and swiftly lease up the vacant area and bringing the property to full occupancy. As a result, rental income increased significantly, driving strong value creation.

Vacancy reduction



Net rent increase (€m)

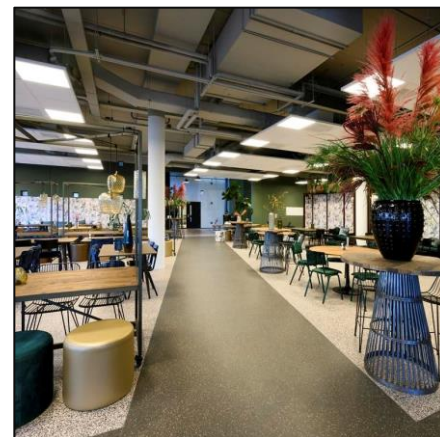
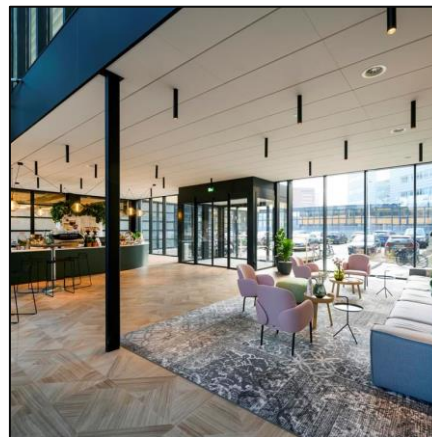
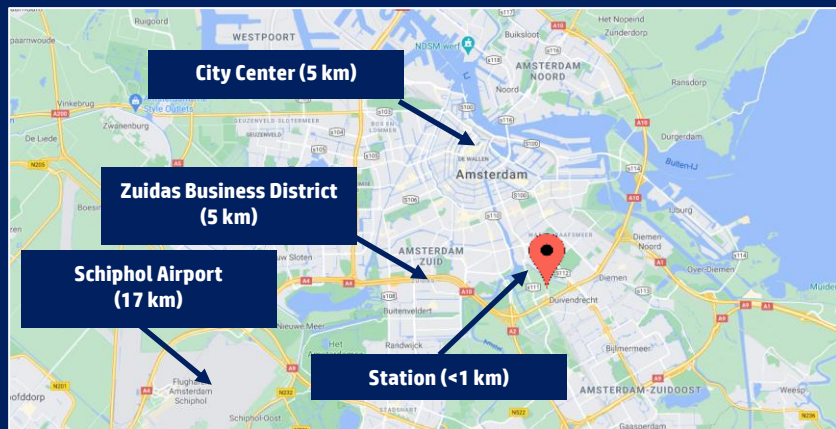


VALUATION GAINS OF >75%

PROPERTY

This 13k sqm office property is located within Amsterdam business district Overamstel and is situated right next to Amsterdam's ring highway, A10. The assets on H.J.E. Wenckebachweg 123, Amsterdam provides good connectivity to the rest of Amsterdam not only via the nearby highway but also three metro stations in the vicinity with a direct connection to Amsterdam's main business district (Zuidas) and the city center.

LOCATION



PROPERTY AT ACQUISITION

Previous owners lacked a clear vision for the property, as a result the property management was neglected. At acquisition, the property had over 70% vacancy and outdated facilities which refurbishment in order to bring the property up to the modern standard required to attract high quality tenants. In addition, AT identified further measures that could increase the property's value proposition.

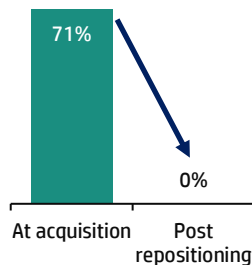
REPOSITIONING AND IMPROVEMENTS

After acquiring the property, AT obtained permits for renovation and extending the facilities offered in the property. The renovation works were focused on bringing the property's facilities up to modern standards and included improved energy efficient heating systems, addition of high-quality meeting facilities, a restaurant and a gym. These measures significantly increased the asset's value proposition to existing and prospective tenants. This higher value proposition combined with the Company's extensive letting network resulted in significant interest in the property from a diverse range of high-quality prospective tenants as works were being finalized.

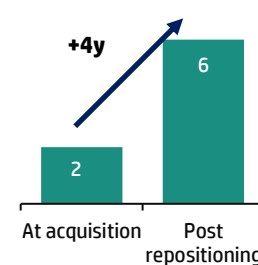
RESULTS

AT's effective repositioning and marketing activities resulted in new tenants being signed, one of which also expanded and took up additional space after signing their initial lease. The property has been fully let after an initial high vacancy of over 70% which resulted in a 4-fold increase in rental income. The average lease maturity has been extended to approx. 6 years. All these measures resulted in a value increase of over 75% and a rent reversionary potential of over 20% remains.

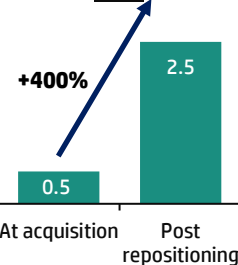
Vacancy reduction



WALT



Net rent increase (€m)



VALUATION GAINS
>75%

REVERSIONARY POTENTIAL
>20%

PROPERTY

The 10k sqm property is a 6-storey office building located in one of the most attractive districts of Berlin, Prenzlauer Berg. The property benefits from connection to public transportation as well as good access to the highway. Additionally, the property on Storkower Str. 111, 10407 Berlin offers more than 100 external parking spaces.

LOCATION



PROPERTY AT ACQUISITION

The previous owners lacked a clear vision for the asset. As a result, the asset was acquired at a significantly under-rented level and was sub-optimally positioned.

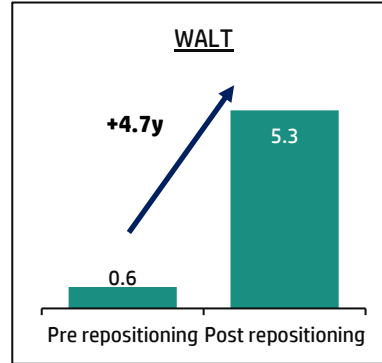
REPOSITIONING AND IMPROVEMENTS

Aroundtown worked closely with the tenant to understand the requirements of the tenant and was able to address these needs effectively, which was mutually beneficial to all stakeholders involved. Aroundtown completed a full refurbishment of the roof, upgraded the air conditioning system in the asset while also undertaking a renovation of the floor and other aspects of the asset.

RESULTS

As a result of the repositioning and refurbishment measures undertaken by Aroundtown, the Company was able to enhance the value proposition of the asset and therefore prolonged the lease with the tenant at an increased net rent, thereby improving the net rental income by approx. 60%.

Additionally, the enhanced quality of the asset along with the prolonged lease, both contributed to the significant valuation uplifts of over 300%.



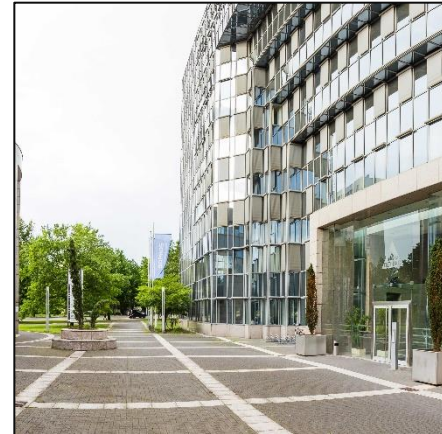
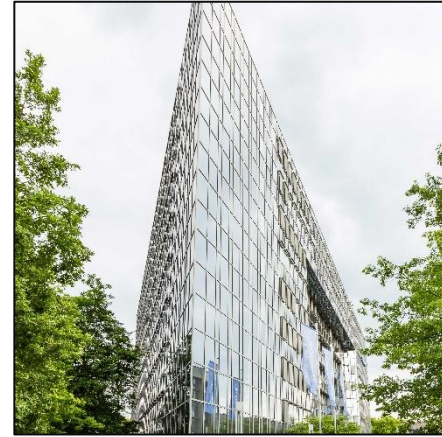
**NET RENT INCREASE
+60%**

VALUATION GAINS OF +300%

PROPERTY

This modern 12k sqm office property is located in central Wiesbaden, benefiting from strong accessibility as it is situated on Gustav-Stresemann-Ring 1, 65189 Wiesbaden immediately adjacent to the Wiesbaden central train station (Hauptbahnhof) and on the B54 highway running through the city.

LOCATION



PROPERTY AT ACQUISITION

The property was acquired with multiple tenants having short WALTs which would have resulted in significant vacancy in the asset within a short period of time. Additionally, the asset had areas which were vacant for long periods of time, reflecting the inability of the previous owners to effectively position the asset to prospective tenants.

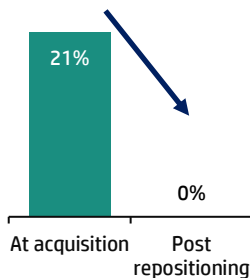
REPOSITIONING AND IMPROVEMENTS

Aroundtown capitalized on its strong tenant relationship management and was successful in prolonging the lease of one of the main tenants. Furthermore, AT worked closely with an existing governmental tenant to identify its requirements and was successful in leasing additional areas at market rents, for a long period of 10 years, reflective of the efficiency of Aroundtown's asset management.

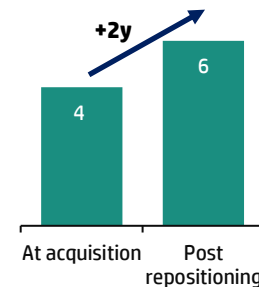
RESULTS

Aroundtown's effective asset management resulted in an elimination of vacancy since acquisition, a longer WALT to 6 years and an increase in the net rent of the asset of approx. 35% and strong tenant structure. These operational improvements were also reflected in the significant valuation gains of over 70%.

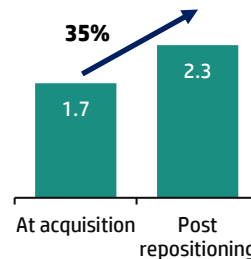
Vacancy reduction



WALT



Net rent increase (€m)



VALUATION GAINS

+70%

REVERSIONARY POTENTIAL

+20%

PROPERTY

The 7.5k sqm office and logistics property is situated in the Berlin district of Tempelhof, close to the ramp of the inner-city highway A100, on Industriestraße 32-43, 12099 Berlin. The immediate area has a commercial use with companies active mainly in logistics and industry as well as retail.

LOCATION



PROPERTY AT ACQUISITION

The asset was acquired in 2018 with several tenants due to vacate the property within a few months, effectively resulting in 100% vacancy. Additionally, the asset was in need of upgrade in order to attract new tenants and realize its full potential.

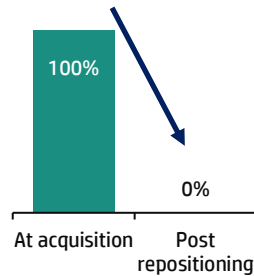
REPOSITIONING AND IMPROVEMENTS

Aroundtown identified the key value proposition of the asset, as it was strategically located close to a motorway ramp, providing easy and valuable connections to the motorway ring road (A100) in Berlin. Subsequently, AT was able to pre-lease the asset to a multinational package delivery company for a long lease period of 15 years. Furthermore, Aroundtown analyzes to develop unutilized space.

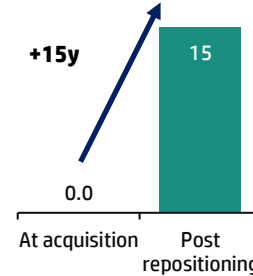
RESULTS

As a result of Aroundtown's in-depth market insight, the asset was strategically repositioned, and on the back of a new lease with a strong tenant, vacancy was fully eliminated, the WALT increased by 15 years and the net rental income increased significantly boosting the value proposition of the asset. This was reflected in the strong value gains of over 200%. The asset embeds an additional area of over 8,000 sqm that represents significant developmental potential, which can be realized in the coming periods.

Vacancy reduction



WALT



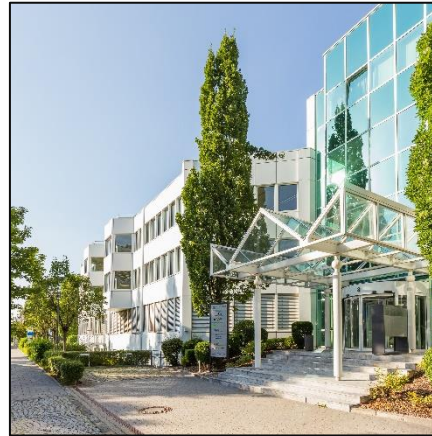
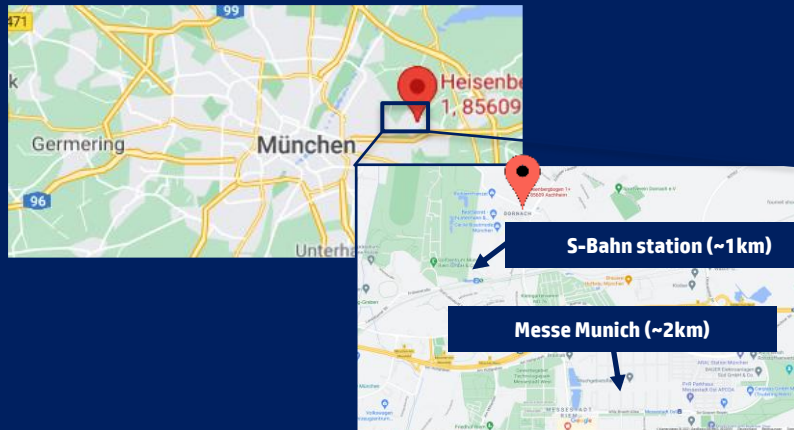
**NET RENT INCREASE
+100%**

VALUATION GAINS OF +200%

PROPERTY

The office complex is located in the Munich area Aschheim, with proximity to Munich city center. The transport links are excellent; close to the S-Bahn station with frequent trains to the city center and the Greater Munich area. The highway runs just south of the commercial estate on Heisenbergbogen 1-3, 85609 München, providing fast access to the Munich city center and the surrounding closely-knit road network. Additionally, the area is close to the New Munich Trade Fair in Riem. The asset is an office complex with modern office space of over 33k sqm.

LOCATION



PROPERTY AT ACQUISITION

The property was acquired with material vacancy of over 30%. Further, the asset management was neglected and due to the lack of positioning, was also under-rented.

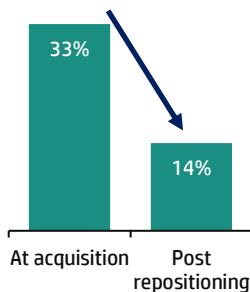
REPOSITIONING AND IMPROVEMENTS

During the due diligence, Aroundtown undertook a full review of the asset including the tenant structure as well as an analysis of the vacancy. AT was able to prolong the lease with the existing anchor tenant at a higher rent. Further, with regards to the vacant area, Aroundtown undertook extensive capex including upgraded cooling and ventilation systems, while also implementing high-quality fit-out measures for a large area that was leased to an international financial institution, for a long lease period of 15 years at market rents.

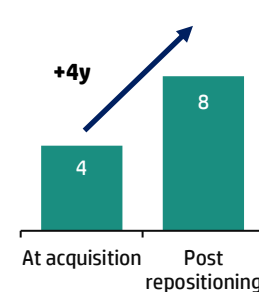
RESULTS

Aroundtown's proactive approach in repositioning this asset was instrumental in materially reducing the vacancy, while doubling the WALT to 8 years and increasing the net rental income of this asset by approx. 50%. The Company's value creation efforts were also visible in the significant value increase of 250%. The property continues to reflect a reversionary potential of over 35%, that can be realized over the next years.

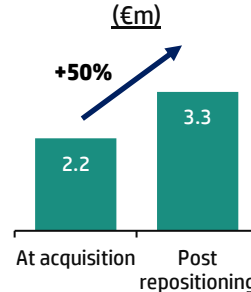
Vacancy reduction



WALT



Net rent increase (€m)



VALUATION GAINS
+250%

REVERSIONARY POTENTIAL
>35%

PROPERTY

This 9k sqm office property is centrally situated in Frankfurt, directly across from Frankfurt's main central train station (Hauptbahnhof), one of Germany's most important transportation hubs. Via the S-bahn and U-bahn train and underground stations at the Hauptbahnhof, the property is a short ride away from the Frankfurt central business district (CBD) and the city center. The immediate vicinity of the property on Stuttgarter Str. 18-24, 60329 Frankfurt am Main is characterized by hotels and office buildings primarily occupied by government agencies and transportation/travel companies.

LOCATION



PROPERTY AT ACQUISITION

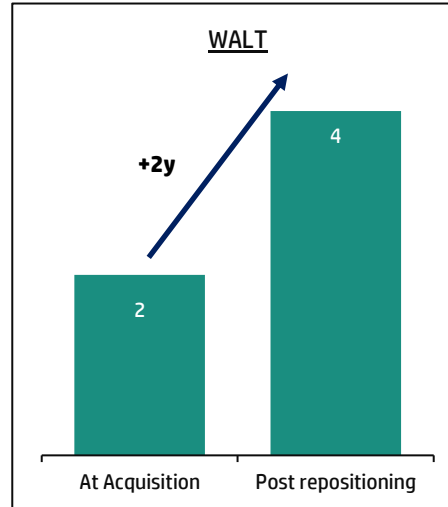
Aroundtown acquired this asset with a short WALT and the risk of the anchor tenant vacating the asset.

REPOSITIONING AND IMPROVEMENTS

Capitalizing on the strong location of the asset, Aroundtown focused its efforts on enhancing tenant satisfaction. Furthermore, Aroundtown implemented targeted improvements and other measures that were aimed at maximizing tenant satisfaction. Together, these measures were pivotal in successfully prolonging the lease with a strong government tenant.

RESULTS

As a result of Aroundtown's efforts, the short WALT was doubled, with a strong and safe tenant. These measures were also reflected in the valuation gains of over 30% since acquisition.

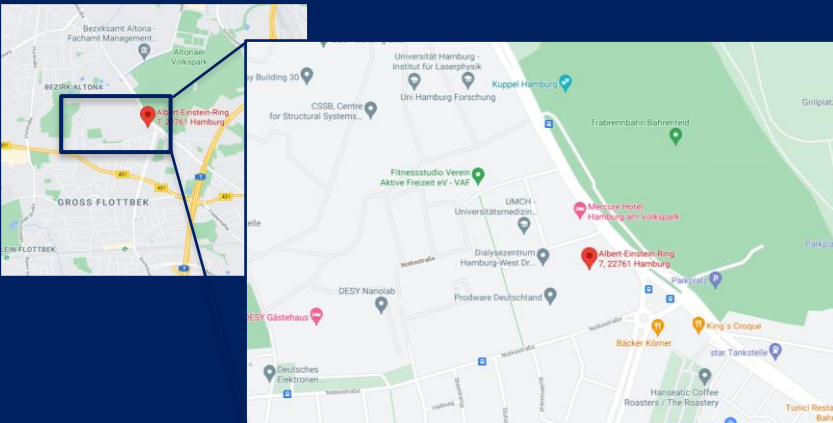


**VALUATION GAINS
OF +30%**

PROPERTY

The 6k sqm office property is situated in one of Hamburg's office districts, Altona, on the main road running through the district providing good connectivity to Hamburg's highway system. There are several bus stops in walking distance to the property on Albert-Einstein-Ring 7, 22761 Hamburg.

LOCATION



PROPERTY AT ACQUISITION

The asset was acquired with a single tenant occupying the asset, having a short WALT. Further, the asset was under-rented as compared to its location.

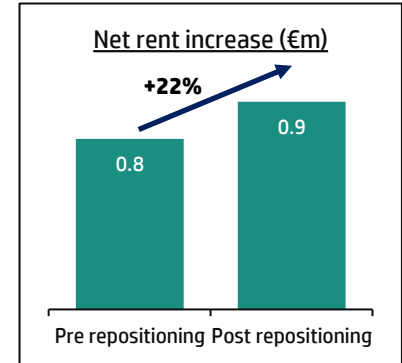
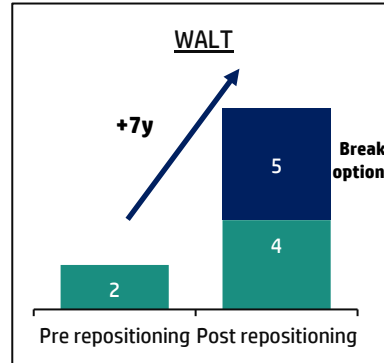
REPOSITIONING AND IMPROVEMENTS

Aroundtown engaged with the main tenant in order to identify and implement measures aimed at maximizing tenant satisfaction. Within a short period from acquisition, AT was successful in prolonging the lease with the main tenant.

Subsequently, AT undertook various measures in order to further gain confidence of the tenant in Aroundtown's asset management abilities. Consequently, AT was able to close a second prolongation, mid-way through the first prolongation, at market rents.

RESULTS

Aroundtown's focus on enhancing tenant satisfaction proved to be effective as AT was able to double the WALT to 4 years, while also increasing the net rental income of this asset by over 20%. Furthermore, AT was able to unlock value gains of approx. 90% since acquisition.



VALUATION GAINS OF +90%

PROPERTY

The modern office complex is located at Großenhainer Straße 5-7 in Dresden's vibrant and urban Neustadt district. Neustadt is known as a cultural hub in the heart of Dresden, which offers a mixture of commercial, services and residential use. The newly constructed office building encompasses more than 14k sqm of lettable area as well as ample parking opportunities. The office complex is within walking distance to Neustadt train station and is well connected to the rest of the city with the S-Bahn and highway.

LOCATION



During construction



PROPERTY AT ACQUISITION

The land plot with over 7k sqm area was underutilized considering its strong location and the growing market therefore the potential remained unextracted.

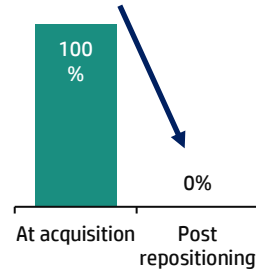
REPOSITIONING AND IMPROVEMENTS

The high demand for modern office spaces in the area was identified and repositioned the asset for this segment. The asset offers an ample modern office space in this heavily sought-after area with a 5-story office building, including a 2-story parking deck and an outdoor parking area, as well as a roofed bicycle parking. Each floor includes 4 independent office units with high quality interior and contemporary color concept. Prior to the end of the construction, the property was already largely pre-let. The investment volume was approx. €40 million.

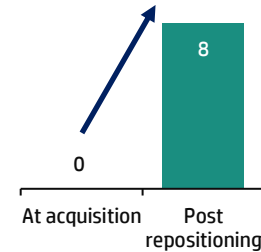
RESULTS

The property's construction was finalized end of 2020 after a construction period of 2 years with a pre-let ratio of 75%, filled with a government and a global blue-chip company as the major tenants with a strong WALT of 8 years, highlighting the sustainable demand in this market. A few months after the completion, the property was fully-let. As a result of the successful development and repositioning, the property value grew significantly by 55%.

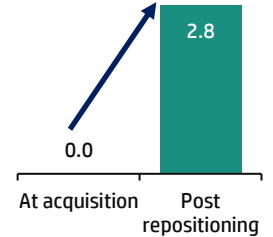
Vacancy reduction



WALT



Net rent increase (€m)



VALUATION GAINS OF 55%

PROPERTY

This modern office property covers 17k sqm and is situated in Berlin's western center, walking distance from the Berlin Zoo central train station and adjacent Berlin's Technical University (TU). Due to its central location the property on Englische Straße 27, 28, 30, 10587 Berlin is well connected, just off the city's main artery Bundesstraße 2. The Berlin Zoo central station is the primary transport hub in Berlin's western city center, serviced by a range of S-bahn, U-bahn, buses as well as interregional trains. The district surrounding the property has a mixed use, with residential, office, retail and leisure, providing many amenities.

LOCATION



PROPERTY AT ACQUISITION

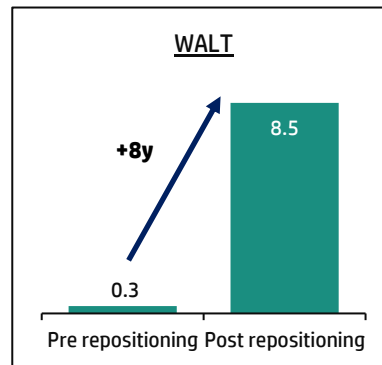
When the property was acquired the previous owners had underutilized the potential of the prime location, which included an undeveloped plot of approx. 4k sqm.

REPOSITIONING AND IMPROVEMENTS

The full refurbishment of the interior of the property in the year 2020, in line with the successful repositioning of the asset, created significant value. Thanks to its wide letting network and strong marketing efforts, the asset management was able to attract a strong government tenant with significantly higher annual rent and a long rental period. In the meantime, a further development potential in the asset has been recognized.

RESULTS

The property successfully remained fully-let even through the renovation process and strong repositioning of the asset led to a solid WALT of 8.5 years with an increase in annual net rent by 26%. This achievement and the potential for the further development of the property have led to a value creation by over 30% in less than 2 years.



NET RENT INCREASE
+26%

VALUATION GAINS OF >30%

PROPERTY

This large office complex has 44k sqm and is located in the district Mitte. The property is situated on the banks of the river Spree, near the Bellevue Palace, the residence of Germany's president. Due to its central location the property benefits from good connectivity by public transport – Berlin's main central train station (Hauptbahnhof) is a short drive from the property, there is a bus stop in front of the entrance and there are several S-bahn and U-bahn stations in its immediate surroundings. The district surrounding the property on Alt-Moabit 91-97, 10559 Berlin has a mixed use of residential, retail, office and hotels/leisure. In addition the asset provides 850 parking places.

LOCATION



PROPERTY AT ACQUISITION

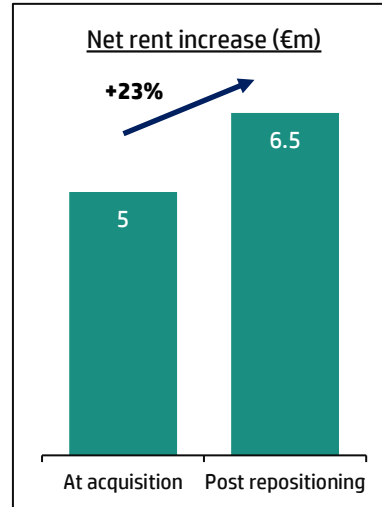
Prior to acquisition the asset lacked positioning and was mismanaged which had led to the asset being considerably under-rented at almost full occupancy.

REPOSITIONING AND IMPROVEMENTS

Post acquisition, Arowntown built on tenant relationship management and was successful in completing lease prolongations with the largest tenant extending its lease for 4 years at 20% higher rents. Furthermore, Arowntown's wide letting network was advantageous in bringing in new tenants at market rent levels.

RESULTS

As a result, Arowntown was able to increase net rents by over 20% to €8m at the time of disposal. Arowntown took advantage of the strong Berlin office market with increasing rents by not extending WALTs for long periods and capturing the reversionary potential in a shorter period. Arowntown disposed the property with a disposal margin of over 90% over total costs, highlighting the significant value creation since the acquisition

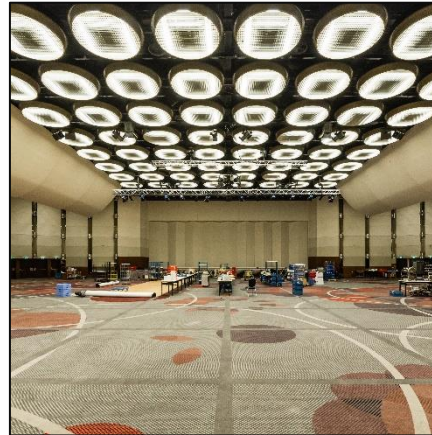


**DISPOSAL MARGIN
OVER TOTAL COSTS
OF >90%**

PROPERTY

The 16-storey hotel has 246 rooms and is located near the banks of the river Rhine facing Düsseldorf, offering a great view of the city's skyline. Close to the hotel is a train and a tram station as well as the federal highway that connects Düsseldorf and Neuss. The hotel's 16 conference rooms, of which 2 are large congress halls, comprise a total of 4k sqm and can host up to 2,500 people, making the hotel one of the largest conference hotels in Germany. Hotel amenities include an indoor pool, gym, and a spa area with a sauna, steam room, solarium and samarium.

LOCATION



PROPERTY AT ACQUISITION

Bought from a private equity group in 2015, the hotel was branded as a Swissôtel at acquisition. Due to poor positioning and management, the hotel was not being managed to its full potential as one of the largest corporate events and meetings venue in the region.

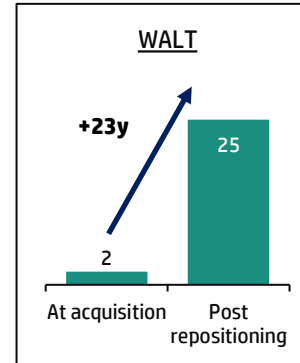
REPOSITIONING AND IMPROVEMENTS

Utilizing management’s vast experience in the hotel market, the strength of the brand delivery was assessed and it was decided to rebrand to a stronger brand that can make the most of the hotel’s potential. After receiving offers from various brands, AT decided to partner with Crowne Plaza, which is a perfect fit for the asset as they are focused on the MICE market (Meetings, Incentives, Conventions, and Events) and have a strong exposure to Anglo-speaking clientele (US & UK), which have a very strong presence in the Dusseldorf market. Additionally, building rights were secured for the development of 20k sqm commercial space on the site of the outdoor parking area.

RESULTS

The hotel was branded as a Crowne Plaza on a long-term, over 20-year lease with a net rent increase of 37% over the previous rent, with still a significant reversionary potential. AT disposed the property with over 200% margin over total costs, highlighting the substantial value creation since the acquisition.

**NET RENT INCREASE
+37%**



Rebranding with a strong hotel brand

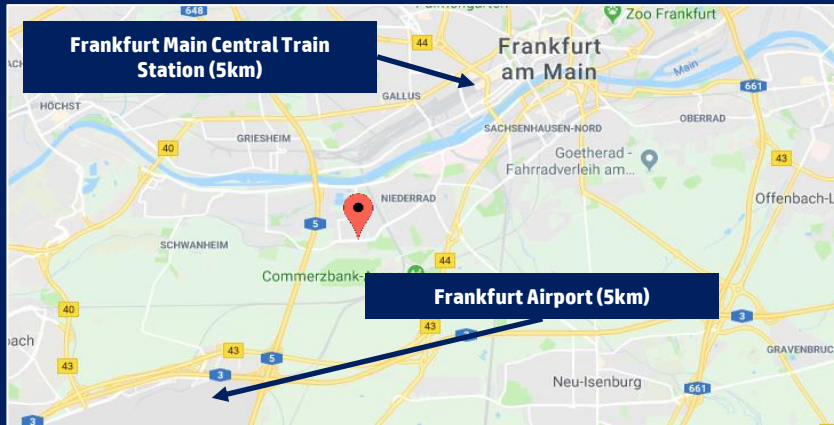


DISPOSAL MARGIN OVER TOTAL COSTS OF >200%

PROPERTY

The congress and fair hotel has 14 meeting rooms, holds almost 400 rooms and suites, a summer terrace and underground parking. The hotel is located in the Frankfurt office district, right between the Frankfurt Airport and the city center. The property Frankfurt benefits from excellent accessibility, with close proximity to the main highway as well as the S-Bahn station.

LOCATION



PROPERTY AT ACQUISITION

The hotel was undermanaged, not positioned to fulfill its potential and lacked a real focus towards the market, and was acquired out of a debt restructuring situation. The former tenant lost focus and vision of the property which led to the property being mispositioned in the market and lacked performance.

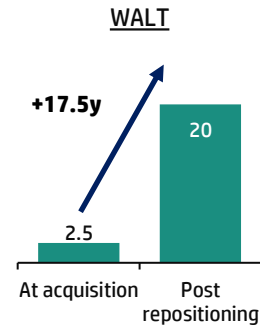
REPOSITIONING AND IMPROVEMENTS

AT entered the deal and saw that the hotel needed a certain “wake-up” and right management for repositioning. AT saw the possibility to maximize the potential with a new brand to position it within the MICE market. Upon the expiry of former tenant, AT signed a new lease with a strong German tenant, advising them to use an international brand based on its expertise in order to extract the full upside potential. AT was able to brand Crowne Plaza which maximized the potential as the brand is focused on the MICE market with a strong exposure to Anglo-speaking clientele (US & UK) – ideal fit for the Frankfurt business area. The majority of the capex was covered by the tenant, AT covering only a minimal part.

RESULTS

The new lease was signed at 30% higher lease for a duration of 20 years, and provided CPI indexation protection. AT disposed the property with over 140% margin over total costs, highlighting the substantial value creation since the acquisition.

NET RENT INCREASE +30%



Rebranding with a strong hotel brand

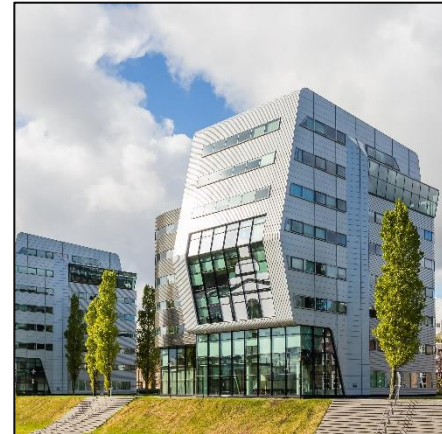
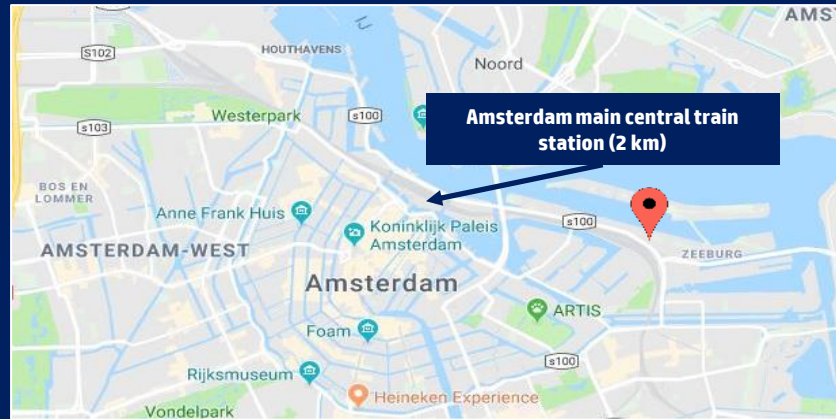


DISPOSAL MARGIN OVER TOTAL COSTS OF >140%

PROPERTY

This 7k sqm office property is located in the business district in the city center of Amsterdam, overlooking the IJ river. There are tram and bus lines in close proximity to the property, providing connectivity to the rest of the city. Furthermore, the Piet Heintunnel provides access to the A10 highway, which is the ring highway of Amsterdam. The Amsterdam Centraal train station is a short drive from the property.

LOCATION



PROPERTY AT ACQUISITION

Prior to acquisition in 2016, the property had vacancy of over 20% while in-place rents were below market level.

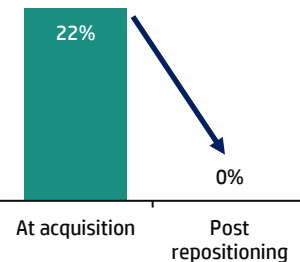
REPOSITIONING AND IMPROVEMENTS

Aroundtown was able to fulfill the asset's potential by effectively marketing the asset to the tenants best suited for the asset type, with the vacancy fully eliminated over the course of 2016. AT filled the vacant units at market-level in-place rents, ranging from €20 to €23 per sqm, above the property's initial level of €19/sqm. By the end of 2016, the property was fully occupied with net annual rent of €1.7 million, compared to €1.4 million initially.

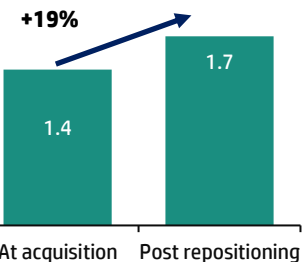
RESULTS

Having optimized the asset's cash flow potential with 100% occupancy, net rent increase of approx. 20% and securing a long WALT, the property's value increased significantly and Aroundtown crystallized on the value created by selling the asset for €31.5 million in Q3 2017, achieving a strong disposal margin of over 70%

Vacancy reduction



Net rent increase (€m)



DISPOSAL MARGIN OVER TOTAL COSTS OF >70%

PROPERTY

The portfolio includes several wholesale assets across many cities in Germany, encompassing a total of close to 800k sqm lettable area. The assets are mainly located in large metropolitan areas such as Berlin, Frankfurt, NRW, Hamburg, Stuttgart, Dresden and Leipzig, and many more. The properties are mainly situated conveniently near large highways, providing a good connectivity to the rest of their respective cities and regions.

LOCATION



Berlin



Frankfurt



Hamburg



Cologne



PROPERTY AT ACQUISITION

The properties were acquired in 2017 from a private equity firm. The assets were fully let to the leading global Cash and Carry wholesale warehouse operator Metro AG. Due to its strong tenant and lease situation, the properties were generating stable and high cash flow with a good growth potential. Prior to the acquisition, Aroundtown reached out to its large deal network and already got higher bids to sell a part of the portfolio individually.

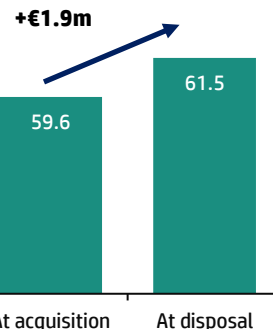
REPOSITIONING AND IMPROVEMENTS

Several properties that were identified for disposal due to their non-core locations were sold in 2018 with a significant gain over their cost value. With regards to the remaining portfolio, AT extended the leases with the tenant, increased the rent and identified underutilized land plots which were sold at a high gain separately. All of these improvements resulted in a high value creation, also supported by the strong performance of this wholesale segment. The properties showed resilience during the Covid pandemic as well and AT sold all of the remaining assets with a high gain, crystallizing all the value that AT created since the acquisition.

RESULTS

The entire portfolio was sold in multiple steps with over 20% margin over total costs (acquisition price including capex). Until the sale, AT increased the contractual rents by €1.9 million (3%) and increased the WALT to 8 years. AT also identified unused/underutilized land plots and sold them separately with a significant gain since these were acquired at no cost.

Contractual rent increase
(€m)

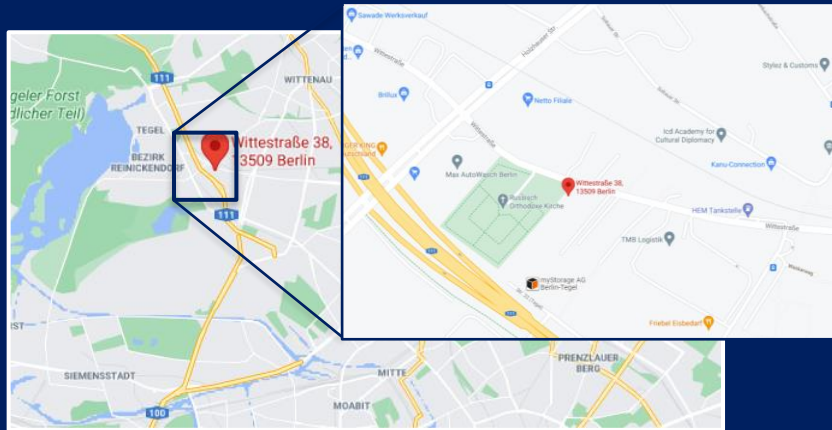


**DISPOSAL MARGIN
OVER TOTAL COSTS
OF >20%**

PROPERTY

This 17k sqm logistic park towards the north of Berlin is conveniently located close to the ramp of the inner-city highway (A111) on Wittestraße 38, 13509 Berlin. Further connections to the motorway ring road (A10) in Berlin are possible within a short period of time. Additionally, the subway and bus provide further access points to the property. The immediate area has a commercial use with companies active mainly in logistics and industry as well as retail.

LOCATION



PROPERTY AT ACQUISITION

The asset was acquired in 2018 with close to 100% vacancy. The asset was comprised mainly of production and storage halls with significant degradation in quality resulting from prolonged periods of mismanagement. Consequently, the asset required refurbishment upgrades in order to realize its full potential.

REPOSITIONING AND IMPROVEMENTS

During the due diligence, Arowntown conducted a thorough analysis of all aspects of the asset and identified the key elements required to realize the full potential of the asset.

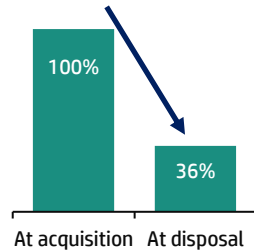
AT was successful in signing a new tenant, utilizing its wide letting network, following which a full refurbishment of the production building was completed. The new lease was completed for a long period of 20 years, and significantly boosted the earnings capacity of the asset, which was also reflected in the asset's value uplift.

Additionally, AT further realized the development potential of this asset.

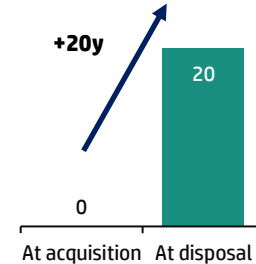
RESULTS

As a result of Arowntown's repositioning efforts, the significant development potential of the asset was brought to the forefront, as a result of which Arowntown was able to crystalize a disposal profit margin of over 50% over total costs, including capex.

Vacancy reduction



WALT



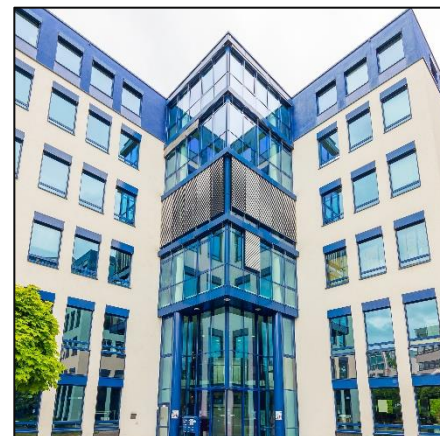
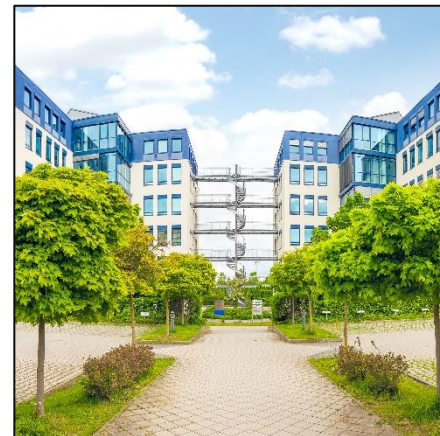
**NET RENT INCREASE
+100%**

DISPOSAL MARGIN OVER TOTAL COSTS OF +50%

PROPERTY

The office property is located in a commercial area of the district of Munich. The business district surrounding the 10k sqm office building is characterized by a high concentration of companies active in the biotechnology sector. The A96 highway is 2km north of the property on Fraunhoferstraße 9a, 82152 München, connecting the property to the highway ring of Munich, and in a short walking distance is a subway station with a short ride connection to Munich city center.

LOCATION



PROPERTY AT ACQUISITION

When the property was acquired in 2015, the vacancy was over 20% including the tenants vacating in less than a year. The inefficient tenant structure was also evident in the short WALT. In addition, the property was significantly under-rented especially considering its strong location in Munich's commercial district of Martinsried, surrounded by many innovative companies and institutions.

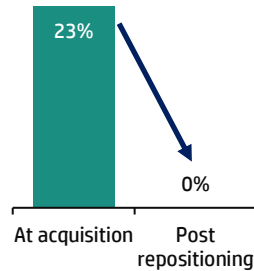
REPOSITIONING AND IMPROVEMENTS

Shortly after the acquisition, Arowntown extended the lease with one of the key tenants. AT's experienced asset management team assessed that the location dynamics provided a high potential for the asset especially since it was quite attractive for the biotechnology industry. By taking advantage of this, Arowntown was able to attract a NASDAQ-listed global biotech company into the property who then agreed to expand into the remaining vacant area.

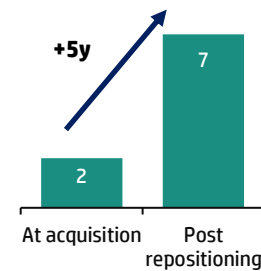
RESULTS

Arowntown brought the property to its fully-let condition by filling the vacancies at market rents with long leases: the net rental income of the property increased by more than 70% and the WALT increased by 5 years. All of the improvements above created significant value in the property which is reflected in the disposal margin of over 85% over total costs

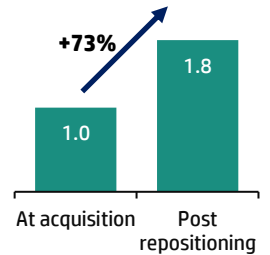
Vacancy reduction



WALT



Net rent increase (€m)



DISPOSAL MARGIN OVER TOTAL COSTS OF >85%

PROPERTY

The 9k sqm office property is situated in Potsdam's central city district, in close proximity to an S-bahn station and Potsdam's Main Central train station, which connects Potsdam to nearby Berlin. The property on Edisonallee 5, 14473 Potsdam lies adjacent to the inner-city highway, providing for strong connectivity to the surrounding region and Berlin.

LOCATION



PROPERTY AT ACQUISITION

When the property was acquired at the end of 2018, it was significantly under-rented in comparison to achievable rents in the central Potsdam area. On top of that, the lease term with the existing tenant was long, hence significantly delaying the value extraction potential.

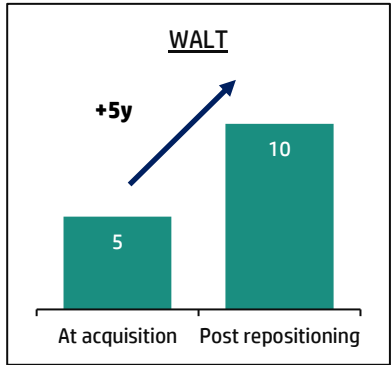
REPOSITIONING AND IMPROVEMENTS

As Aroundtown actively engaged with the existing tenant, it discovered that the tenant wanted to relocate, although the tenant still had some years left in its contract. AT agreed to replace the former tenant with a government tenant at a significantly higher rent and much longer lease term, thereby realizing the value potential.

RESULTS

Aroundtown's new contract increased the WALT by 5 years and the net rental income by over 40%. In-place rent was brought to the market level. The asset was disposed with over 40% margin over total costs, highlighting the substantial value creation since the acquisition

**NET RENT INCREASE
>40%**



DISPOSAL MARGIN OVER TOTAL COSTS OF >40%