

PRESS RELEASE

Engel & Völkers Capital AG launches institutional fund focused on Spanish real estate developments

- **Luxembourg special fund vehicle EVC REDF with a target fund volume of € 300 million**
- **Financing for two real estate projects in Spain successfully completed**
- **Logistics park in Madrid with a total area of almost 42,000 square metres**
- **Student accommodation in Barcelona with a lettable area of approx. 4,550 square metres**

Hamburg, December 4, 2019. After successfully financing a total development volume of over 1 billion euros in Germany, Engel & Völkers Capital AG (EVC) has delivered the first tailor-made financing solutions for two real estate developments in the Spanish market.

The financing for a logistics park in Madrid with a total area of almost 42,000 square metres and a micro-living property with 257 student apartments in Barcelona, which operates under CORESTATE's Youniq brand, was completed within a few weeks.

The Spanish real estate market has made a substantial recovery since the crisis in 2008 and is now showing stable annual growth of 2.4 per cent. EVC has its own team in Madrid and excellent market access via the Engel & Völkers group network with more than 70 Spanish and international subsidiaries. Thanks to established auditing processes and the company's solution-driven approach, developers can access the required financing within an average of four to six weeks. In contrast to Spanish banks, which only provide finance after a building permit has been obtained, EVC can provide capital in earlier planning phases.

Logistics park in central location of Madrid

Triggered by the e-commerce boom, demand for logistics properties in the Spanish metropolitan regions has risen sharply. EVC has succeeded in financing a property with very good links to the city centre. Located just 20 minutes from the centre of Madrid with a direct underground connection and motorway access, the property is ideally situated for a logistics project with "last mile"

requirements. The "Last Mile Greenfield Project" logistics park in Madrid has a total area of 41,734 square metres and is in the Villaverde/San Andrés district west of Avenida de Andalucía and in the immediate vicinity of the San Cristóbal metro station. The nearby A-4 motorway is one of the most important industrial and logistics corridors in the south of the Spanish capital.

Student accommodation in trendy neighbourhood

In the university city of Barcelona, ultra-modern student apartments with excellent transport links are being built near the city beach "Playa de Levante" in Calle Pallars 489 in the dynamic innovation district "22@". The "22@" quarter is one of Barcelona's most recent urban developments. Created in 2000 on a former industrial site in the El Poblenou district, "22@" has developed into a technology and innovation hub, which is home to more than 4,500 companies. The property will provide 257 apartments (265 beds) over a total net lettable area of approx. 4,550 square metres. This includes 57 car parking spaces, which are also available to external users, generous common areas, several communal kitchens and two roof terraces, one of which has a swimming pool, and a fitness studio.

Fund and financing structure

The tailor-made financing solutions are structured via Germany and/or Luxembourg. The Luxembourg EVC-REDF Umbrella Fund S.A. SICAV-SIF with an expected first closing of 50 – 60 million euros is focused on the European market and Spain in particular. The fund invests in a diversified asset portfolio in the residential, logistics, office and alternative real estate sectors. The main target markets are large cities in Spain - Madrid, Barcelona, Malaga, Valencia and Seville as well as the Costa del Sol and the Balearic Islands. The loan volume per project is ideally between 5 and 20 million euros. Tomasz Kalemba, Head of Portfolio and Investment Management EVC AG: "We are entering the Spanish development market with tailor-made financing solutions structured through Luxembourg and/or Germany. EVC focuses on stable and profit-oriented portfolio diversification in terms of asset classes, locations and solid developers. Our goal is to finance real estate projects in Spain with a development volume of more than 300 million euros over the next two to three years." The fund offers both senior secured loans (Sub-fund 1) and pure mezzanine financing (Sub-fund 2). A combination of both types of financing is possible in order to guarantee the entire loan structure. "With our fund solution, we offer investors an attractive opportunity to benefit from the

inefficiencies of the Spanish financing market in the development sector. Investors determine the weighting and allocation of the sub-funds themselves," says Stephan Langkawel, Director of Sales at EVC AG.

About Engel & Völkers Capital AG

Engel & Völkers Capital AG is an independent investment and asset manager for real estate investments, founded in 2009 and headquartered in Hamburg. On request, Engel & Völkers Capital AG provides the complete financing structure for real estate projects. The company's central business comprises the structuring and syndication of capital investments and the associated asset management for institutional and private investors. Engel & Völkers Capital AG focuses on holistic financing structuring including the procurement of classic debt and supplementary subordinated capital as well as the financing of construction projects and site acquisition for developers via special institutional funds. Engel & Völkers Capital AG is a licensed partner of the Engel & Völkers Group.

www.engelvoelkerscapital.com

Press:

Ummen Communications GmbH

Robert Ummen

Tel. 0049 171 - 7614583

ummen@ummen.com