

# PATRIZIA German Residential Fund I

## Fund Concept

The concept implies the construction of a residential portfolio under the condition of risk diversification in order to generate sustainable, high returns.

Profound market research, the high diversification potential of local real estate markets and the integration of the entire PATRIZIA competence center offer a significant improvement of the risk-return-profile compared to commercial investment.

## Strategy

- The residential investment environment and favorable economic prospects, due to a decrease of building activities over the last ten years, are rated positively on a medium- / long-term.
- A balanced portfolio mix with focus on target regions which excel because of their demographic development and their purchasing power underpin the stability of the fund performance.
- There are various exit options regarding the fund. Portfolio sales to institutional investors are possible as well as the sale of single units to private and institutional buyers.



## Research – Facts & Figures

- Evaluation criteria for the entire portfolio are purchasing power and demographic development
  - Criteria for the microeconomic property selection are: Purchasing power, unemployment rate, demographic development, social structure, vacancy rate, structural-economic risks
- Real estate driven criteria of the regions are:  
Development of rents, rent forecasts, supply-demand situation

## Investment regions



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## Investment Proposal

Investment Style	Core with min. 80% existing assets and max. 20% project developments
Fund Size	€400 Mio. (max. €200 Mio. debt capital)
Portfolio / Properties	30 - 40 residential assets with a volume of €5 - 15 Mio. per asset
Target Performance	Dividend on average approx. 5 - 5,25% p.a. net IRR approx. 5,75% p.a. net (annualized over 10 years)
Performance since inception May 2007	Dividend 5% p.a. BVI-Return 20,69%
Minimum Ticket	€10 Mio.
Duration	Planned 8 - 10 years
Vehicle	Real Estate Special Fund (InVG)



## Excellent Reasons for the Investment

Market perspective	The anticipation of a positive future market development based on attractive conditions
Return Potential	Maximization of value enhancement potential through active portfolio management of PATRIZIA (asset management, exit-solutions, financing)
Risk	The investment in residential assets with sustainable cash-flow results in an attractive risk-return-ratio
Fund Management	Professional team with in-depth experience in real estate investments specifically for institutional investors



Further Information under

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