

PRESS RELEASE

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AEW boosts German residential footprint with strategic acquisition of 255-unit portfolio on behalf of a core mandate

AEW, one of the world's leading real estate investment and asset managers¹, announces the acquisition of a 255-unit residential portfolio comprising seven assets in Frankfurt on behalf of a separate account core mandate.



These high-quality properties are located in sought-after locations in Frankfurt, including Nordend, Niederrad and Eschersheim, targeting young professionals and families, with nearby local transport providing access to the city centre via the U/S-Bahn and tram system.

The portfolio offers a mix of one- to three-bedroom apartments spread across seven properties. Six of the properties are operational with an occupancy level of nearly 100%, while one building is currently under construction and is expected to be completed in the coming months. The portfolio also includes commercial and retail units, including what we believe to be an attractive tenant mix of restaurants, shops and education facilities.

The properties have been constructed to a high standard, with the intent to support a healthy and sustainable living environment and use renewable energy sources.

Frankfurt is the fifth largest city in Germany, with approximately 2.4 million people living in its metropolitan area and a strong economy². It is the most populous city in the Hesse region with a low vacancy rate of 0.2% in the housing market contributing to strong demand for housing³. This existing demand surplus is further fuelled by a projected population growth of about 8.7% by 2050⁴, leading to an expected rental growth of around 3.2% per year over the next 5 years according to AEW Research⁵.



Tobias Schnurer, Investment Director at AEW, said: *"This transaction offers a strategic opportunity to acquire a high-quality portfolio in sought-after locations in Frankfurt. There is strong demand for housing in Frankfurt, supported by the growing population, and we are confident that this high-quality portfolio will continue to attract strong interest from occupiers. This investment also sees us expand our remit for this mandate, demonstrating our ability to originate*

¹ Source: Institutional Real Estate Inc, Global Investment Managers 2023 Special Report.

² Source : <https://www.region-frankfurt.de/Unsere-Themen-Leistungen/Kooperation-Metropolregion/Die-Metropolregion-kurz-erklaert/C3%A4rt/>

³ Source : <https://www.realestate.bnpparibas.de/en/market-reports/residential-market/germany-report-2024#download>

⁴ Source: https://statistik.hessen.de/sites/statistik.hessen.de/files/2023-03/AI8_j21.pdf.

⁵ The information and opinions presented in this material have been prepared internally and/or obtained from sources which AEW believes to be reliable; however, AEW does not guarantee the accuracy, adequacy, or completeness of such information. Opinions expressed reflect prevailing market conditions at the time this material was completed and are subject to change.

compelling opportunities for our clients. More broadly, we see strong potential in the German residential sector, and our ambition is to continue growing our activities in this area of the market."

AEW was advised by Gleiss Lutz, TA Europe and Nova Ambiente.

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ABOUT AEW

AEW is one of the world's largest real estate asset managers, with €78.7bn of assets under management as of 30 June 2024⁶. AEW has over 860 employees, with its main offices located in Boston, London, Paris and Singapore and offers a wide range of real estate investment products including comingled funds, separate accounts and securities mandates across the full spectrum of investment strategies. AEW represents the real estate asset management platform of Natixis Investment Managers, one of the largest asset managers in the world.

As of 30 June 2024, AEW managed €37.1bn of real estate assets in Europe on behalf of a number of funds and separate accounts. AEW has over 515 employees based in 11 offices across Europe and has a long track record of successfully implementing Core, Value-Add and Opportunistic investment strategies on behalf of its clients. In the last five years, AEW has invested and divested a total volume of almost €18.5bn of real estate across European markets.

www.aew.com

ABOUT NATIXIS INVESTMENT MANAGERS

Natixis Investment Managers' multi-affiliate approach connects clients to the independent thinking and focused expertise of more than 15 active managers. Ranked among the world's largest asset managers¹ with more than \$1.3 trillion assets under management² (€1.2 trillion), Natixis Investment Managers delivers a diverse range of solutions across asset classes, styles, and vehicles, including innovative environmental, social, and governance (ESG) strategies and products dedicated to advancing sustainable finance. The firm partners with clients in order to understand their unique needs and provide insights and investment solutions tailored to their long-term goals.

Headquartered in Paris and Boston, Natixis Investment Managers is part of the Global Financial Services division of Groupe BPCE, the second-largest banking group in France through the Banque Populaire and Caisse d'Épargne retail networks. Natixis Investment Managers' affiliated investment management firms include AEW; DNCA Investments;³ Dorval Asset Management; Flexstone Partners; Gateway Investment Advisers; Harris | Oakmark; Investors Mutual Limited; Loomis, Sayles & Company; Mirova; MV Credit; Naxicap Partners; Ossiam; Ostrum Asset Management; Seventure Partners; Thematics Asset Management; Vauban Infrastructure Partners; Vaughan Nelson Investment Management; and WCM Investment Management. Additionally, investment solutions are offered through Natixis Investment Managers Solutions and Natixis Advisors, LLC. **Not all offerings are available in all jurisdictions.** For additional information, please visit Natixis Investment Managers' website at im.natixis.com | LinkedIn: [linkedin.com/company/natixis-investment-managers](https://www.linkedin.com/company/natixis-investment-managers).

Natixis Investment Managers' distribution and service groups include Natixis Distribution, LLC, a limited purpose broker-dealer and the distributor of various US registered investment companies for which advisory services are provided by affiliated firms of Natixis Investment Managers, Natixis Investment Managers S.A. (Luxembourg), Natixis Investment Managers International (France), and their affiliated distribution and service entities in Europe and Asia.

¹ Survey respondents ranked by Investment & Pensions Europe/Top 500 Asset Managers 2024 ranked Natixis Investment Managers as the 19th largest asset manager in the world based on assets under management as of December 31, 2023.

² Assets under management ("AUM") of current affiliated entities measured as of June 30, 2024, are \$1,320.8 billion (€1,232.3 billion). AUM, as reported, may include notional assets, assets serviced, gross assets, assets of minority-owned affiliated entities and other types of non-regulatory AUM managed or serviced by firms affiliated with Natixis Investment Managers.

³ A brand of DNCA Finance.

⁶ As of June 30, 2024. AEW includes (i) AEW Capital Management, L.P. and its subsidiaries and (ii) affiliated company AEW Europe SA and its subsidiaries. AEW Europe SA and AEW Capital Management, L.P. are commonly owned by Natixis Investment Managers and operate independently from each other. Total AEW AUM of €78.7 billion includes €36.3 billion in assets managed by AEW Europe SA and its affiliates, €4.5 billion in regulatory assets under management of AEW Capital Management, L.P., and €37.9 billion in assets for which AEW Capital Management, L.P. and its affiliates provide (i) investment management services to a fund or other vehicle that is not primarily investing in securities (e.g., real estate), (ii) non-discretionary investment advisory services (e.g., model portfolios) or (iii) fund management services that do not include providing investment advice.