

Diok RealEstate AG Continues Dynamic Growth with Acquisition of Another Three Properties

- Diok acquires another three properties in North Rhine-Westphalia and Saxony-Anhalt
- Portfolio keeps growing, is now worth EUR 150.35 million

Cologne, 23 July 2019 – Diok RealEstate AG (Diok) signed sale and purchase agreements for three office buildings in Cologne, Gelsenkirchen and Magdeburg, respectively, thus resuming the company's brisk growth and bringing its portfolio total up to €150,350,000.

The two office buildings in North Rhine-Westphalia are located in Cologne and Gelsenkirchen, and are let on long-term leases to an occupier from the technology sector (Cologne) and from the public sector (Gelsenkirchen), respectively. The property in Magdeburg still shows vacancies, which is to be rolled back through its active asset management by Diok RealEstate AG in the near future. The WALT at the properties currently equals 4.3 years, the average rent being €9.49 per square metre and month.

With the latest acquisitions included, the overall portfolio of Diok now shows 89,025 sqm in floor area and €8,860,593 p.a. in net rents or a square metre rent of €8.78 and a vacancy rate of 9.42%.

Some contracts of the acquired portfolio are still subject to various conditions precedent. The parties to the contracts assume that the transactions will be concluded during the third quarter.

At the moment, Diok RealEstate AG is conducting intense negotiations to acquire additional high-quality office buildings in very good secondary locations that are also let to blue-chip tenants on long-term leases. Against this background, the Management Board is expecting additional sale and purchase agreements to be signed soon.

Markus Drews, Member of the Board of Diok, commented: "We are consistently implementing our growth strategy. The accelerated transaction frequency has made us more prominent in the public eye. The increased visibility has helped us both with acquisitions in secondary locations and with the awareness of us as a company or of our corporate bond on the capital market. Our strategy of buying high-quality property on a scale of €5 million to €25 million in secondary locations has enabled us to build up a risk-diversified and high-yield portfolio that is both a robust basis for our noteholders and will be highly interesting for potential buyers."

PRESS RELEASE

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About Diok RealEstate AG

Diok RealEstate AG (DIOK) is a property company based in Cologne that specialises in German office real estate. The company's business focuses on setting up an attractive portfolio of office properties in good to excellent micro-environments of tier two cities. Labour-intensive activities have been outsourced in their entirety to third parties while remaining subject to DIOK's supervision and control. As an active portfolio and asset manager, DIOK thus achieves a steady capital growth and a positive cash flow from day one. In the medium term, DIOK intends to use its well-filled acquisition pipeline to build up a real estate portfolio worth EUR 1 billion.