

PRESS RELEASE**Diok RealEstate AG Pushes Portfolio Total up to EUR 250 Million by Acquiring Office Building in Greater Düsseldorf Area**

- Acquisition brings total portfolio value up to EUR 249,750,000
- New asset comes with substantial appreciation potential through future vacancy reductions

Cologne, 11 December 2019 – Diok RealEstate AG (Diok) just signed the sale and purchase agreement for an office building occupied on a long-term lease in the greater Düsseldorf area. The property is currently tenant-occupied to 78% and therefore harbours considerable appreciation potential through additional lettings. The property extends over around 27,000 square metres of lettable area and has an adequate number of parking spots. The current annual basic rent net of service charges is more than EUR 2.3 million per year. The remaining lease terms average about 6.8 years.

The property was acquired within the framework of an off-market transaction that remains subject to various conditions precedent/subsequent for the time being. Together with the already signed sale and purchase agreements, the fair market values of the four most recent acquisitions of DIOK add up to nearly EUR 100 million and generate an annual basic rent in the amount of c. EUR 5.2 million annually. The weighted average lease term (WALT) across these four properties is around 5.5 years.

A look at the portfolio as a whole shows a total of EUR 249,750,000.00 in market values, a WALT of around 5.8 years, a vacancy rate of just below 10 percent and an annual basic rent net of service charges of c. EUR 14.1 million per year, which translates into a square-metre rent of c. EUR 8.50 on average.

Daniel Grosch, Member of the Board of Diok: “We are making very good progress with our portfolio build-up. Our strategy of investing in high-yield and risk-diversified office buildings has proven to be the right way. We will keep accelerating our growth and expect to achieve the targeted size in the medium term. Thanks to our professional partners, we consider the current vacancies an opportunity to exploit untapped capital appreciation potential short-term by letting the vacant premises in the near future. This latest acquisition brings our portfolio up to more than 50 tenants in 17 different locations, which implies a well-diversified structure.”

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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.