

## **Kauri CAB and Apeiron form €300 million property joint venture with leading global Sovereign Wealth Fund**

### **First residential portfolio acquired in Germany for €130 million from ZBI AG**

BERLIN/ LONDON/ STOCKHOLM - Kauri CAB Management GmbH (“KCM”), and Apeiron Capital (“Apeiron”), the northern European property specialist, in partnership with a leading global Sovereign Wealth Fund (together “the JV”), have today announced the formation of a new €300m joint venture partnership.

With starting equity capital of €100 million in the new joint venture, the intention of the JV is to acquire portfolios and individual property assets across Germany, initially targeting a portfolio size of €300 million (including debt).

The JV is also pleased to announce today, its first acquisition, a portfolio of 1,675 residential and 105 commercial units within 61 residential buildings in Germany for a purchase consideration of €130 million. Located in Berlin and Magdeburg, the buildings have in aggregate approximately 120,000 sqm of lettable space.

The units, mostly of the ‘Altbau’ or period style, are located in the popular districts of Berlin (70% of the portfolio) including the City Center, Reinickendorf, Tempelhof, Steglitz and Lichtenberg as well as in Magdeburg (30% of the portfolio). The seller of the ‘Zeus’ Portfolio is ZBI Zentral Boden Immobilien AG in Erlangen.

This acquisition builds on Kauri CAB’s experience in the German residential space and follows its sale of 25 buildings in Berlin announced in July 2014 in partnership with Pramerica Real Estate Investors. Apeiron is a privately held principal investment and asset management firm dedicated to real estate opportunities in the UK, Germany and the Nordic region.

**Hagen Kahmann Managing Director of KCM said:** “German residential property continues to be an attractive proposition. Our new joint venture between Kauri CAB, Apeiron and our institutional partner brings together a group of investors with a strong track record in this space.

“The acquisition announced today represents an excellent outcome for all three partners in the JV and demonstrates our partnership’s ability to effectively source and close attractive off-market deals. It is an exciting opportunity given the multiple routes for optimisation the portfolio offers. Berlin offers an attractive long-term structural demand-supply imbalance for rental housing and is one of the fastest growing capital cities in Europe.”

**The principals of Apeiron commented:** “The returns on offer from northern European residential property make the asset class increasingly attractive to investors and we are seeing a growing number of excellent investment opportunities particularly across Germany. With the backing of a major global sovereign wealth fund we are well placed to capitalise on these going forward.”

KCM and the JV were advised by Berlin based Strategis AG, Beiten Burkhardt and CT Commercial Trust Group. Unicredit bank provided senior financing to the acquisition.

**About Apeiron:**

Apeiron is a privately held principal investment and asset management firm dedicated to real estate opportunities in the UK, Germany and the Nordic region, with offices in London, Berlin and Stockholm. The company implements investment strategies in niche segments of the real estate market combined with a disciplined asset management approach. Apeiron specialises in the residential segment and related markets.

For further information about Apeiron please see our website: [www.apeiron.com](http://www.apeiron.com)

**About KCM:**

KCM is a Berlin based specialist property investment company whose core business is ownership and management of rental apartment buildings. Since its establishment in 2008, KCM has managed 2,500 units and approximately €200 million of assets. The company provides full in-house suite of services, including deal sourcing, acquisition, debt financing and structuring, asset management, property management, rental optimization as well as architectural and construction services. The team, which currently consists of 18 professionals, has extensive experience from the target segment from over 100 investments, starting in 1998.

For further information about KCM please see our website: [www.kauricab.com](http://www.kauricab.com)

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