

## PRESS RELEASE



### **UBM subsidiary Münchner Grund acquires plots in Berlin Pankow**

(Berlin/Munich, 15 December 2016) **Münchner Grund Immobilien Bauträger GmbH – a subsidiary of UBM Development AG – acquires together with a family office two properties in the Pankow district in Berlin. The construction phase for the approximately 520 residential units is planned for the third quarter of 2017.**

Münchner Grund, a subsidiary of UBM Development AG, is strengthening its development pipeline in Berlin and is realizing another residential project. In the district of Pankow in Berlin two neighboring properties located in Thulestraße were acquired with a gross land area of 18,872 sqm. A total of 520 apartments will be developed at this location. The start of construction is scheduled for the third quarter of 2017; completion is expected approximately in the second quarter of 2020.

In total of six buildings, 366 apartments as well as 229 underground parking spaces will be constructed on the larger plot at the corner of Thulestraße 50 - 64/Talstraße 3. Approximately 244 residential units are being planned as traditional freehold apartments as part ownership and some 122 residential units in privately financed rental housing construction. An apartment house with about 155 units will be constructed on the smaller property on the corner of Thulestraße 48/Neumannstraße. The apartments are between 2-4 rooms and will be developed in a bright and open way. The spacious balconies offer views of the green surroundings.

#### **Central, quiet and ideally connected**

The location of the residential building project is quiet and central, in the surroundings there are schools and infrastructure meeting daily needs. Numerous public transport stops (subway, train, tram and bus) are accessible by foot in just a few minutes. Via the nearby road axes, you can quickly reach Alexanderplatz or the city motor way by car. Also the south bordering district Prenzlauer Berg with its varied gastronomic and cultural offers is right around the corner.

"The Berlin housing market is under high pressure. We are pleased to meet this strong and growing demand with high-quality property and apartments in very good locations," says Christian Berger, Managing Director of Münchner Grund. "With the Thulestraße and the " NeuHouse" in Kreuzberg, we offer two new residential projects to the Berlin market. In total, including the already realized residential buildings, we will have then supplied the Berlin market with more than 1,000 residential units. "

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Berlin's districts Pankow and Weissensee, especially in the outskirts of the Prenzlauer Berg and the Schönhauser Allee, are increasingly shifting into the focus of prospective buyers. In terms of sales figures and volume of sales, the district of Pankow is now ranked on third place in Berlin, after Mitte (1) and Charlottenburg/Wilmersdorf (2) and before Friedrichshain/Kreuzberg (4).

### Impact of the transaction on UBM

Effective time period of acquisition	Q4/2016
Form of participation	at-equity partnership
Effect on net debt	EUR 5.0 mn

**Münchner Grund Immobilien Bauträger GmbH** is a subsidiary of UBM Development AG. The company operates as a project and property developer throughout the whole of Germany. The focus is on the asset classes Hotel, Commercial, Office and Residential. From design and planning to development and construction to sales or letting, the developer offers all services from a single source. Münchner Grund has more than 50 years of experience and exclusively builds high-quality, sophisticated and profitable property for owner-occupiers or investors.

**UBM Development AG** is a pure player focusing on real estate development. The strategic focus on the clearly defined three asset classes of Hotel, Office and Residential is complemented by the concentration on the three home markets of Germany, Austria and Poland. In 2015 UBM significantly expanded its business and achieved new records in total output and earnings for the third year in a row.

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