

KGAL acquires major residential portfolio in Leipzig

Grünwald, 13.01.2022 – KGAL Investment Management GmbH & Co. KG has acquired a high-quality residential portfolio in Leipzig for its KGAL Wohnen Core 3 fund. The portfolio consists of 227 residential and 15 commercial units offering a total of approximately 22,900 square metres of rental space across four attractive locations in the city.

Leipzig is the fastest growing major city in Germany with corresponding rental and value growth potential for select residential properties. "The broadly diversified economy, the prestigious university and the lively city centre make Leipzig extremely attractive," comments André Zücker, Managing Director and head of real estate of KGAL Investment Management. "Built between 2018 and 2020, the properties in this residential portfolio are all of new-build quality and meet the high energy efficiency standards of our fund", adds Zücker.

Two of the properties acquired by KGAL Wohnen Core 3 are located in Zentrum-West and Zentrum-Ost of Leipzig and two properties are in the popular Gohlis district. The largest residential building offers 97 flats, while the smallest one consists of 22 residential units. The occupancy rate of the residential portion is almost 100 percent.

"The investment pace of KGAL Wohnen Core 3 remains high despite the intense competition in the residential sector," says Christian Schulte Eistrup, head of the international client business at KGAL Investment Management. "With this latest transaction in Leipzig, we are securing an attractive and stable core portfolio for our investors, which enables a timely capital call and benefits from attractive income streams already in place."

KGAL Wohnen Core 3 implements a pronounced ESG approach and invests in sustainable residential properties in Germany's key residential markets. The fund, with equity approaching €500 million, is characterised by a clear investment strategy as well as rapid capital deployment and a strong deal pipeline.

KGAL was advised on the transaction by NOMOS Steuerberatungsgesellschaft on tax matters and by the law firm Görg Partnerschaft von Rechtsanwälten on legal matters. BNP Paribas Real Estate acted as broker.

When using the images, please quote KGAL GmbH & Co. KG.

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KGAL is a leading independent investment and asset manager with a managed investment volume of more than €15 billion. The group sources, executes and manages long-term real asset investments for institutional and private investors in real estate, sustainable infrastructure and aviation. KGAL, which operates throughout Europe, was founded more than 50 years ago and is headquartered in Grünwald near Munich. Our 345 employees are dedicated to achieving sustainable, stable investment performance, taking into account return and risk criteria. (as of 31 December 2020)

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