

KGAL acquires trophy asset in Prague

First purchase in the Czech Republic

Grünwald, 04.09.2019 – KGAL has acquired the DRN office building in Prague for a pan-European special real estate Alternative Investment Fund (AIF). The purchase is in line with KGAL's strategy of Europe-wide diversification across prime locations, and is its first investment in the Czech Republic. The fund now holds properties in Germany, Austria, Ireland, Hungary, the Netherlands, Poland and the Czech Republic.

The centrally located property features contemporary space and a heritage building. Designed by Stanislav Fiala, the building incorporates parts of the original Schönkirchovský Palace which dates from 1734 with an interconnecting new building which was completed last year provides high quality office space and eating and drinking amenities.

André Zücker, Managing Director for Real Estate at KGAL Investment Management GmbH & Co. KG, comments: "The DRN complex is a unique gem of commercial real estate. It combines first-class workspace with superb architecture that blends the traditional with the modern".

DRN is located in the centre of Prague and is close to the National Theatre, Charles Bridge and Wenceslas Square. The central metro station Národní třída is 300 metres away. The property is almost fully let and is currently home to 13 occupiers. The rentable space totals 12,595 m² with 2,290 m² in the old building and 10,305 m² in the new building.

The Czech Republic is an increasingly attractive location for commercial real estate investors. Since 2011, the country has held an AA- rating from the ratings agency Standard & Poor's – the best rating in Central and Eastern Europe. The KGAL real estate team expects trophy properties such as DRN to lead the way at the top end of the market in the long term.

DRN will be incorporated into an international real estate AIF run by KGAL. The fund now holds real estate in six European capital cities: Berlin, Budapest, Dublin, Prague, Warsaw and Vienna. The property was acquired from the developer SEBRE. White & Case, TPA, Arcadis and CBRE acted for KGAL in the acquisition. Savills advised SEBRE.

Please find image material attached. Please always state "KGAL" when using this material.



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The KGAL Group is a leading independent investment and asset manager with an investment volume of €20.5 billion. The investments focus on long-term capital investments for institutional and private investors in real estate, infrastructure and aviation. The Group, founded more than 50 years ago, operates across Europe and has its registered office in Grünwald near Munich. Taking into account aspects of return and risk, 355 employees help achieve stable yields on a sustainable basis. (As at 31/12/2018)



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