

TRANSACTION ANNOUNCEMENT

Aareal Bank provides €214 million refinancing for the largest outlet centre in northern Germany

Wiesbaden, 5 December 2024 – Aareal Bank is pleased to announce the successful closing of a €214 million refinancing for the Designer Outlet Neumünster, the largest designer outlet centre in northern Germany. The property is owned by a joint venture between McArthurGlen and Nuveen Real Estate. The centre qualifies as a green lending asset.

Aareal Bank acted as the sole underwriter for this transaction, reinforcing its position as a leading financier of trophy assets in Europe. This transaction is the starting point for a new partnership with McArthurGlen, one of the leading retail outlet operators in Europe. Nuveen Real Estate is one of the top five largest real estate managers in the world and manages assets totalling €29 billion in the retail sector alone. As a pioneer in the field of designer outlets, McArthurGlen has developed almost 600,000 sqm of sales space. In total, the group currently operates 24 centres in eight countries.

The Designer Outlet Neumünster, strategically located north of Hamburg and within a 60-minute drive from the Danish border, has been a prominent retail destination since its first phase opened in 2012. Comprising a total space of 29,000 sqm in an environmentally friendly village-style setting, it features 130 stores showcasing luxury brands such as Versace and Armani, as well as premium designer labels like Polo Ralph Lauren, Boss and Tommy Hilfiger.

Severin Schoettmer, Managing Director Special Property Finance at Aareal Bank, comments, “We are thrilled to provide financing for this prime retail asset of McArthurGlen and Nuveen Real Estate, two leaders in the retail property sector. Both companies demonstrate that, with the right concepts, brick-and-mortar retail schemes can be operated successfully and retain customers in the long term.”

Mark Epstein, Deputy Chairman at McArthurGlen Group, states: “The proven concept of the Designer Outlet Neumünster reflects our commitment to delivering a high-quality value proposition for consumers while providing world-leading brands with an important channel to offer their products. We are delighted to be working with Aareal Bank to continue to make an active contribution to the transformation of the property industry.”

Aareal Bank AG acted as the arranger, facility agent, and security agent for this transaction. Gleiss Lutz provided legal advisory services, while Cushman Wakefield performed the valuation for this asset.

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Aareal Bank Group

Aareal Bank Group, headquartered in Wiesbaden, is a leading international property specialist. The Bank uses its expertise to identify trends, challenges and opportunities at an early stage, and to exploit them for the benefit of its stakeholders. Aareal Bank Group provides financings, banking services and payments solutions for the property sector and related industries, and is present across three continents: Europe, North America and the Asia/Pacific region. Aareal Bank Group's business strategy focuses on sustainable business success, with environmental, social and governance (ESG) aspects as an integral part of this strategy.

Aareal Bank AG comprises the business segments Structured Property Financing and Banking & Digital Solutions. The Structured Property Financing segment encompasses all of Aareal Bank Group's property financing and funding activities. Here, the Bank supports its clients in making large-volume commercial property investments. The investment properties mostly comprise office buildings, hotels, shopping centres, logistics and residential property, as well as student apartments. In the Banking & Digital Solutions segment, Aareal Bank Group supports businesses from the housing, property management and energy industries as a digitalisation partner – combining extensive advisory services and product solutions with traditional corporate banking services and deposit-taking.