

TRANSACTION ANNOUNCEMENT

Benchmark retail transaction in the UK market in 2024: Aareal Bank provides £290 million for Redevco

Wiesbaden, 10 December 2024 – Aareal Bank has successfully provided a £290 million senior loan to Redevco, a prominent Dutch retail investment company for the acquisition financing of a portfolio of 16 retail warehouses across the United Kingdom. This significant transaction represents one of the largest retail property transactions in the UK market in 2024.

This transaction marks Aareal Bank's first engagement with Redevco, a real estate company of COFRA Holding AG, a privately held group of companies active in various business sectors.

The acquired portfolio assets are strategically located in core urban centres, primarily in southern England, featuring a diversified tenant lineup of both national and international retailers. A substantial part of the portfolio's in-place rent is secured by prominent food retailers, serving as a robust anchor that bolsters its resilience against the challenges posed by the rise of e-commerce.

Redevco acquired the portfolio through a share deal transaction from Oxford Properties and M7 Real Estate to enhance its position in the UK. The off-market transaction aligns with the company's goals to strengthen its portfolio and capitalize on future growth opportunities in the retail sector.

"Our first financing with Redevco, a leading European retail investor, is setting a benchmark for the industry," says **Severin Schoettmer**, Managing Director Special Property Finance at Aareal Bank. "This transaction, one of the largest retail deals in the UK in 2024, highlights our ambition and commitment to financing prime retail transactions with top players across Europe and beyond."

Manolito van Ardenne, CFO of Redevco adds: "Partnering with Aareal Bank enhances our UK portfolio in resilient retail segments, aligning with shifting consumer preferences shaped by e-commerce trends. This acquisition, bringing our pan-European retail parks platform's gross asset value to circa €5 billion, represents a robust cash flow which we expect to increase to a yield north of 6.5% once live asset management initiatives complete."

Aareal Bank acted as the arranger, facility agent, and security agent for this transaction.

Eastdil Secured served as the exclusive financial advisor for this transaction. The legal advisory roles were taken on by Pinsent Masons for Aareal Bank and CMS for Redevco, Knight Frank provided valuation services to Aareal Bank.

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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 centers, 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 digitalization partner – combining extensive advisory services and product solutions with traditional corporate banking services and deposit-taking.