



MAGNAT Asset Management increases letting in the German residential real estate portfolio by more than 8000 m² since acquisition

- Successful reduction in vacancy rates in the Eberswalde/Rostock/Saalfeld residential portfolio
- Reduction in tenant turnover and improvement of the structural condition
- Increase in net annual rent by more than 9 percent

Frankfurt am Main, Germany, 17/05/2010 – MAGNAT Asset Management Deutschland GmbH (MAM), a subsidiary of the publicly listed MAGNAT Real Estate Opportunities GmbH & Co. KGaA, has succeeded in increasing the German residential real estate portfolio's occupancy rate by a total of 121 apartments (8,125 m²) thanks to its effective real estate asset management. That equates to a growth rate of around 10 percentage points. Due to targeted remedial measures, MAM successfully managed to raise attractiveness for new tenants and reduce the turnover of existing tenants. In the process, it was possible to increase the net annual rent of the portfolio by more than 9 percent. This has led to a significant increase in the value of the portfolio. With the steadily increasing occupancy rate the properties are now an interesting proposition for institutional investors. And, not least, tenants will profit from the implemented measures; this is in turn beneficial to clients of MAGNAT Asset Management Deutschland due to lower tenant turnover.

The residential real estate portfolio in Germany comprises apartments in Eberswalde (about 60,000 m² of rental space), a high-rise apartment building in Rostock (about 8,000 m² of rental space) and apartments in Saalfeld/Thuringia (about 17,200 m² of rental space). The majority owner of the residential portfolio is the publicly listed MAGNAT Real Estate Opportunities, the parent company of MAM. The MAM team does not restrict its asset management services to MAGNAT; these are also provided to third parties, such as banks and real estate companies which do not have their own asset management.

MAM has implemented targeted measures to reduce vacancy rates, such as the optimisation and replacement of real estate management firms and selective renovations, as well as extensive and creative marketing strategies, which are designed to grow occupancy rates sustainably. These measures have, for example, enabled MAM to reduce the vacancy level in the

Eberswalde residential portfolio from an initial 24 percent to less than 12 percent thus far. Since the acquisition it has been possible to raise net annual rent in the Rostock high-rise residential building by about 30 percent and stabilise the letting rate at significantly beyond 93 percent.

MAGNAT Asset Management Deutschland GmbH is dedicated to corporate real estate asset management. That is to say that the MAM team not only brings total dedication and management expertise to the table, but that MAM is also prepared to participate in the investments of the owners with its own equity. In times of difficulty on the financial markets in particular, this ensures that its clients have more leeway and demonstrates the commitment of MAM to the managed real estate.

Sascha Becker, CEO of MAM, said: *"I am particularly pleased that the strategy we initially developed for the German Eberswalde, Rostock and Saalfeld residential portfolio could be implemented promptly and successfully. The goal for the coming quarters is to further reduce vacancy rates to the single digit percentage range and in doing so create an even more attractive investment for investors."*

About MAGNAT Asset Management Deutschland GmbH (MAM):

The Frankfurt-based subsidiary of the publicly listed MAGNAT Real Estate Opportunities GmbH & Co. KGaA is a real estate asset manager and developer, which focuses on management-intensive real estate holdings. Its motto: "We will find hidden value in your real estate holdings." The multi-disciplinary asset management team has an entrepreneurial hands-on management approach and provides real estate-related services of the highest standard to its clients every day. Its activities centre on the management and development (revitalization) of office, hotel and residential real estate. MAM does not restrict its asset management services to MAGNAT; these are also provided to third parties. The professional asset management team, short decision-making channels and clearly defined areas of responsibility enable MAM to provide quick and reliable solutions to tenants, prospective tenants, partners and clients. A reporting system tailored to the specific need of the client guarantees the highest degree of transparency at all times. Together with MAGNAT Asset Management GmbH, Vienna, the some 30 real estate specialists of MAGNAT Asset Management manage real estate worth approximately half a billion euro for clients across Europe.

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