



FIVE QUARTERS



PRESS RELEASE

Wooden bricks are not only fun to play with!

Five Quarters Real Estate invests in nursing home

FIVE QUARTERS REAL ESTATE AG



FIVE QUARTERS

page 2 of 3

Hamburg, 30. May 2023. The Hamburg real estate company Five Quarters Real Estate AG | 5QRE continues its investment strategy. The purchase agreement for the construction of a nursing home in Schkeuditz, Saxony, was signed for the "5QRE Healthcare Infrastructure Deutschland 01" fund. The facility will have 120 single rooms and construction will start before the end of summer 2023. Thanks to the modern timber modular construction method, the construction time will be significantly shorter than conventional construction. "We are maintaining our fast pace of investment – despite the current challenging situation on the transaction market. If everyone just waits for each other, the situation will not get better. The realisation and financing of this project became possible because all parties involved took a step towards each other and because we are taking innovative approaches in shaping the cooperation," explains Peret Bergmann, founder of 5QRE.

Sustainable and environmentally friendly construction

The new nursing home in Schkeuditz is located in the direct neighbourhood of a full-care hospital with 150 beds and in the catchment area of the largest cities in Saxony and Saxony-Anhalt, Leipzig and Halle/Saale. The five-storey complex is being built using a modern and sustainable modular timber construction method. The use of renewable raw material for the construction underlines the sustainable Article 8 approach of the 5QRE Fund. "In addition, this form of modular construction allows for better planning of costs, a much shorter construction period, thus a faster drawdown of funds, and offers higher quality overall. These factors are immensely important in the current market conditions. A good investment for our investors," Bergmann continues.

The room modules of the system used can be stacked on top of each other like "wooden bricks" and up to eight modules high. The geometrically simple components and simple connections allow for faster construction and safe execution while at the same time providing sophisticated architecture. The nursing home will be constructed as a climate-friendly building according to the "Efficiency House Level 40" standard. In addition, certification according to DGNB Platinum is being aimed for. The total investment costs are just under EUR 20 million – the size of the rental space is around 7,800 square metres.

Professional tenant with a good credit rating

The tenant of the new nursing home in Schkeuditz is currently the largest provider in Germany with over 25,000 nursing places. "Due to some market distortions, investment decisions are certainly being made more selectively at the moment. Nevertheless, there is still an immense surplus demand for care places, so this modern and sustainable building is also an extremely interesting opportunity for operators," says Tina Hermann, fund manager at 5QRE, explaining the rationale behind the purchase. The lease was agreed with a duration of 20 years – with options to extend. Due to the good location between the two large cities of Leipzig and Halle and a clear surplus in demand, 5QRE assumes a consistently high occupancy rate.

Further transactions planned

For the future, 5QRE is planning further comparably attractive investments: "We have a full, quite concrete pipeline and are in further promising negotiations, which will lead to the next deal as early as June, as



FIVE QUARTERS

page 3 of 3

planned," explains Bergmann. In the process, an attractive return continues to be achieved, which still offers a noticeable gap to liquid investments. With the innovative module construction technology, there is also the advantage of a rapid drawdown of funds.

ÜBER FIVE QUARTERS REAL ESTATE | 5QRE

Five Quarters Real Estate AG | 5QRE is a regulated real estate company (AIFM) for institutional investors based in Hamburg. 5QRE offers access to transactions in the sectors healthcare, residential, work, retail, as well as customised and individualised concepts throughout Europe. For maximum transparency and regulatory certainty vis-à-vis investors and the supervisory authorities, 5QRE makes extensive use of digital analysis, forecasting and reporting tools. For 5QRE, ESG is not a regulatory approach, but an attitude based on social responsibility.

PRESS CONTACT

Peret Bergmann
T +49 40 60779140
press@5qre.com
www.5qre.com