

CSA Real Estate Germany At a Glance



Overview

Name	CSA Real Estate Germany
Investment Manager	Credit Suisse Asset Management (Switzerland) Ltd.
Portfolio Manager	Radhia Rüttimann
Launch	September 1, 2014
Total assets	CHF 496 mn (December 31, 2017)
Dividend	Income reinvested
NAV calculation	Quarterly
Redemption	Quarterly with a notice period of three months
Redemption price	99% of the net asset value; discount in favor of investment group assets
Tranche	CHF (unhedged; EUR risk)
Management fee	0.60% p.a. (Total assets)
TER _{ISA} GAV	0.84% (June 30, 2017)
TER _{ISA} NAV	1,02% (June 30, 2017)
Investment return	7.66% (June 30, 2017)

Key Data on the Opening

Investor group	Tax-exempt pension funds domiciled in Switzerland
Subscription period	Until April 30, 2018, 12:00 noon (CET)
Value date	May 31, 2018
Issue price	Indicative CHF 1,249.65 per unit (NAV as of December 31, 2017); the NAV as of March 31, 2018 shall apply
Issuing premium	1.00% paid into the investment group assets
Swiss Security No.	23 547 751
ISIN	CH0235 477 517

Key Information in Brief

- **Opening** with a subscription period until April 2018.
- Selection of real estate in central locations with a **low risk profile** with **long-term rental agreements** and tenants with good creditworthiness.
- Primarily invests in properties used as **sales and office space**. As a supplement, investments in properties with other usage types, such as logistics, commerce, and residential, are permissible.
- **Investment focus** is on the further development of a broadly diversified real estate portfolio. Germany offers ideal conditions for such investments, with its extremely diversified economy and its status as **Europe's largest real estate market**. (As measured by annual transaction volume, the German commercial real estate market is at least ten times as large as that of Switzerland).

Opening 2018

CSA Real Estate Germany (CSA RE Germany), an investment foundation of Credit Suisse Asset Management (Switzerland) Ltd., was launched on September 1, 2014. At present, it is fully invested and the portfolio comprises 16 properties in 12 different cities and total assets of CHF 496 million (December 31, 2017). Regarding the future expansion of the portfolio with strategy-compliant properties, an opening of the investment foundation will be carried out with a subscription period until April 2018.

Investment Idea

Germany, the largest real estate market in Europe, is considered one of the most robust and most stable markets in the world. Supported by solid economic performance and a low volume of new construction, the German real estate market is experiencing falling vacancy rates and rising rents. The German real estate market remains attractive due to the positive outlook for the German economy, the robust demand for space, plus the modest number of new construction projects.

The CSA RE Germany investment group invests mainly in commercial real estate in Germany. A prime aim is the achievement of appropriate diversification by region, location, and usage type. When choosing a location, careful consideration is given in particular to real estate market cycles, economic strength, economic forecasts and the political, legal and tax environment in the relevant region. The investment focus is on low-risk properties.

Strengths of the Product

- **Entry at NAV**

This **NAV-based real estate investment product** offers attractive entry opportunities given the current high premium environment.

- **Attractive Real Estate Pipeline**

With its recent investments and existing purchase commitments of over CHF 130 million and a **gross return** averaging **5.60%**, the investment foundation is fully invested. To further expand the portfolio, a real estate pipeline of more than CHF 120 million (gross return 5.70%) has already been identified, with average gross initial yields comparable to the properties already in the portfolio (in other words, no dilution is expected).

- **Good Performance**

Cumulatively, the **investment return** for the previous financial year (as of the end of June 30, 2017) was 7.66% in CHF (6.91% excluding FX gains/losses).

- **Strong Growth Potential**

Positive rent growth (1-3% p.a. on average in 2018-2021), the **low volume of new construction** and a **decline in vacancy rates** strengthen investments in Germany. The **solid economic development** in Germany (anticipated GDP growth for 2018 of 2.7%) and the continued low level of interest rates in the euro zone contribute to this strong picture.

- **Expertise in the German Real Estate Market**

With around 170 real estate experts and over CHF 44 billion in assets under management, Global Real Estate is among the top 15 real estate fund managers worldwide and one of the **top 3 in Europe**¹. Germany is the second most important investment market after Switzerland for Global Real Estate. More than 40 properties with a total market value of around EUR 2 billion are managed in Germany (December 2017).

Risks

The values of properties may fluctuate, for example due to the following:

- Unfavorable changes in supply or demand that negatively impact the acquisition/sale or rental of properties
- Development of interest rates and/or currencies
- Taxes or changed regulatory conditions in the respective markets
- Environmental risks, catastrophes, terrorism

Important Information

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