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Consorsbank (BNP Paribas S.A.)

BIC: DABBDMMXXX

IBAN: DE41701204008353529004



VALUATION REPORT

Property:

Office and retail property

Address:

Walkerdamm 1, Hopfenstraße 71
D-24103 Kiel

Prepared for:

Prime Office A/S
Skt. Knuds Torv 3,3
DK-8000 Aarhus C

Purpose of valuation:

Determination of the market value in accordance with Red Book standard for internal accounting purposes.

This valuation is an update of former reports.

Date of valuation:

31.12.2020

Date of inspection:

08.01.2021 (outside)



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1 Executive Summary

Basic information

Property	Address:	Walkerdamm 1 D-23568 Lübeck
	Municipality distr.:	Kiel
	Federal state	Schleswig-Holstein
Owner:	PO Walkerdamm GmbH, Kiel	
Date of inspection:	08.01.2019	
Inspected units:	1 retail unit, cellar	

Property

Use class:	office and retail property
Year of construction:	1990
Year of reconstruction:	-
Year of refurbishment:	-
Site area:	2,193 sq. m.
Surrounding area use:	office, retail, residential

	Units	areas	Vacant units	Vacant areas	%
Residential:	0	0	0	0	0%
Office:	6	3,750	1	220	6%
Retail:	5	1,076	0	0	0%
Storage:	2	162	1	35	22%
Parking lots:	14		0		0%
Garages:	77		0		0%
Others: Gastronomy	0	0	0	0	0%
Others: medical practice	0	0	0	0	0%
Others:	0	0	0	0	0%
Total	104	4,988	2	255	5%

Building materials:

Roof:	timbers construction, mansard roof with concrete tiles
Windows:	aluminium framed insulating glazing
Facades:	brick stone, clinker
Basement:	complete basement, massive construction
Staircases:	concrete construction with artificial stone
Installations:	average standard
Type of construction:	steel concrete frame construction

Authorities

Building law:	development pl: MK – mixed core use; building land
Environmental/contamination issues:	Contamination suspicion, because of the former uses
Taxes:	currently free
Preservation order:	none
Encumbrances land register:	1 right, 2 easement (way-leave)
Encumbrances public obligations:	2 entries: way-leave



State of maintenance

(1) Very good condition - (4) Medium condition - (7) Very poor condition, in need of immediate repair

	1)	1	2	3	4	5	6	7
State of maintenance roof:					X			
State of maintenance windows:					X			
State of maintenance facade:				X				
State of maintenance basement					X			
State of maintenance staircases					X			
State of maintenance technical installations:				X				
State of maintenance other relevant issues:					X			
Overall state of maintenance:					X			
Backlog:		none						

Additional assessments

	1	2	3	4	5	6	7
Location quality Residential:							
Location quality Commercial:				X			
Rent ability residential units:							
Rent ability commercial units:			X				
Sale ability:			X				
Eligibility for collateral in the short run:			X				
Eligibility for collateral in the long run:			X				
Alternative use:						X	
Type of alternative use:	Micro apartments						
Method for the valuation:	Discounted cash flow						

Special conditions

Special conditions in the rental contracts:	none
Special conditions in the purchase contract:	n/a

Other information

Are there any interest between the tenants and the owner:	no
Is the rent in the rental contracts specified for each category of use:	yes
Rental contracts including VAT	yes
Other/additional relevant information:	none

1) 1=best; 7 very poor

Value

Date of purchase:	n/a
Sales price within the last 2 years:	n/a
Cap. Rate in 10 years:	5.75%
Discount rate:	3.50%
Market value:	9,700,000
Value per square meter useable area:	1,945 €/sq. m.



2 Short Description

2.1 Building construction

Property type:	Office and retail property	
Year of ...:	construction:	1990
	modernization:	none
	refurbishment:	underground parking 2019
Construction:	Type of construction:	steel concrete frame construction
	Interior walls:	concrete, light weight construction
	Floor slabs:	reinforced concrete
	Facade:	brick stone, clinker
	Windows:	aluminium framed insulating glazing
	Roof:	timbers construction, mansard roof with concrete tiles
	Staircase:	reinforced concrete with artificial stone
	Balconies:	none
Installations:	Heating:	long distance heating
	Warm water:	partly centralised, partly electric flow heaters
	Electrical:	average quality
	Lift:	2-person elevator
	Others:	automatic CO ² exhaustion in the parking garage; local air condition
Fitting quality:	Office:	simple to medium
	Retail:	simple
Other special fittings:	none	
Condition of the building:	The building is overall in an average age-appropriate condition. No value influencing damages are assumed.	
Latest modernization/ maintenance:	In 2019 the concrete columns in the underground garage were repaired and partly the floor cover renewed as well as the sealing of the concrete ceiling above the underground car park in the yard area, which was provided with new bituminous cover. A sum of about €550,000 was invested for this refurbishment and repair in 2019.	

2.2 Building structure

Number of buildings:	1	
Building structure:	Basement:	storage, parking garage, technics
	Ground floor:	retail units
	Upper floors:	office



Units, areas and income:

use	rental units			space			vacancy rate	current rent	
	occup.	vacant	total	occup.	vacant	total		€/sq. m.	total (month)
residential	0	0	0	0	0	0	0.0%	0.00	0.00 €
office	5	1	6	3,531	220	3,750	5.9%	10.21	36,029.67 €
med. pract.	0	0	0	0	0	0	0.0%	0.00	0.00 €
retail	5	0	5	1,076	0	1,076	0.0%	8.49	9,140.47 €
hotel	0	0	0	0	0	0	0.0%	0.00	0.00 €
gastro	0	0	0	0	0	0	0.0%	0.00	0.00 €
storage	1	1	2	127	35	162	21.7%	2.27	287.96 €
special	0	0	0	0	0	0	0.0%	0.00	0.00 €
sub. comm.	11	2	13	4,733	255	4,988	5.1%	9.60	45,458.10 €
subtotal	11	2	13	4,733	255	4,988	5.1%	9.60	45,458.10 €
parking out	14	0	14				0.0%	52.94	741.20 €
parking in	70	7	77				0.0%	54.67	3,826.79 €
other	0	0	0				0.0%	0.00	0.00 €
total	95	9	104	4,733	255	4,988			50,026.09 €
total p.a.									600,313.08 €

Tenant quality:

The main tenant accounting for almost 50% of the annual income is the administration of the University Clinic Schleswig-Holstein, which is one of the biggest employers of the federal state with 12,500 employees.

The company is owned by the government and therefore considered as a very solvent tenant.

Last year the tenant extended the lease for two more years.

All other tenants are small local companies or individuals with an expected average credit standing, but they are mostly established in this location.

The tenants are estimated to have a medium reliability.

The traveler shop reduced the rent level when the lease was prolonged in 2020.

2.3 Legal situation

Building law:

Zoning plan M - Mixed use area
 Development plan from 1984
 MI – mixed use,
 floor to area ratio 2.4,
 site coverage index 0.6

Special local constitutions:

None

Land register:

Rights (no changes assumed):

1. Easement of access - Right in favour of the owner of Walkerdamm 1 to cross the plots 802 and 889

This right is also recorded in chapter II of the land register of the plots 802 and 889, which are owned by the neighbour

Encumbrances:

2. Easement of access – way-leave on the plots 749, 802 for



the city of Kiel

3. Easement for the Stadtwerke Kiel to lay a pipe and to maintain a cable distribution cabinet for the street lightning.

The entries do not have any significant impact in view of the current building development.

Register of public obligations:

1. Way-leave for a driveway with a breadth of 5m on the plots 749, 802 for the owners of the plots: 725, 744, 747, 748, 751, 754, 756, 758
2. Unlimited way-leave for the owner of the plots 725, 748 to reach the driveway to the underground garage in a breadth of 3.20m.

The entries do not have any significant impact in view of the current building structure.

Register of contaminated sites:

Contamination suspicion, because of the former uses (brewery, market hall, car garage and petrol station).
But no entry in the register of contamination.

For the valuation we imply that the plot is free of contamination.

Preservation order:

The building is not listed as an ancient monument.

Status of taxes and contributions:

The plot is currently free of encumbrances through taxes and contributions (no changes assumed).

Other not registered agreements:

None available

Building permission:

The planning permission is not included in the available documentation. The material legality of the existing building development is assumed.



2.4 Valuation comments

Valuation model:

The analysis is based on a discounted cash flow analysis of the property with a 10-year view and a resale of the property at the end of year 10 (calculation see appendix). In this valuation model we use an equivalent yield for discount and resale that implicitly accounts for inflation and growth as well as the current property and the investment market including the particular characteristics of the property such as letting situation, location and building quality.

Comments on rent level:

Office

Market rents for office space in Kiel:

■ Simple/ standard locations	5.00 to 6.00 €/sq. m.
■ Medium/ average locations	6.00 to 8.00 €/sq. m.
■ Good location	7.00 to 10.00 €/sq. m.
■ Best location/ new building	12.00 to 16.00 €/sq. m.

Rental offers for office space in the surroundings:

■ Radius 1km	6.13 to 16.52 €/sq. m.
--------------	------------------------

The vacant unit on the attic floor is currently offered for 11.00 €/sq. m..

Most of the current rental offers are in buildings, which are comparable to the valuation property. Highest rent levels are only attained in new modern buildings at the harbour. The prime rents have slightly increased in the last years, but the average rent levels have not changed since the last update.

The rent levels in the building differ between 8.53 and 10.45 €/sq. m., which is partly below the market for good inner city locations.

We estimate a sustainable market rent of between **9.50 and 10.00 €/sq. m.**

Retail

Market rents for retail space in Kiel:

■ Simple/ standard locations	6.00 to 9.00 €/sq. m.
■ Medium/ average locations	9.00 to 16.00 €/sq. m.
■ Good and best locations	50.00 to 70.00 €/sq. m.

Asking rents for retail space in the surroundings:

■ Radius 500m	7.18 to 54.69 €/sq. m.
---------------	------------------------

The market situation has slightly decreased, especially the premium rent level. Latest retail center developments in Kiel city have improved the attractiveness of the inner city shopping location, but also the retail stock overall. The result is an increased oversupply of retail areas for rent in Kiel and a pressure on the rent level, especially in B-locations away from the malls and high streets.

Therefore Kiel remains a tenant market.

This correlation is also measurable within the evaluated property with retail rents of between 5.17 and 10.27 €/sq. m. depending on visibility and size. The latest contract was closed



in 2020 at 9.21 €/sq. m. (previously rented for 11.00 €/sq. m.)
The rents are within the market range with the lowest level along the less visible Walkerdamm.
We estimate the current rent as sustainable and not increasable.

Storage:

The storage space together with office units in the basement is leased on market level.

Parking spaces:

The rents of the parking lots range between €40 and 66 per lot. The rent for locally offered parking lots varies from €40 to €80. Higher prices are called for inside parking. The current rent level is estimated as sustainable.

Comments on the lease terms/ conditions:

For an overview of the commercial contracts please see appendix.

Additional information:

- The tenant pays all recoverable costs based on the law and is responsible for small repairs
- Partly tenants pay additional administration cost

Tenant improvements:

In order to re-let a unit the landlord has to improve the unit to meet the requirements of a new tenant.

Tenant improvements of 100 €/sq. m. are calculated for all units depending on an estimated tenant change.

Deferred maintenance/Capital expenditures:

Deferred maintenance:
none

Saleability:

It is an average quality building in a sustainable location, but with a tough competitive position in Kiel city center. But overall the investment demand is good and the income is on a stabilized level. We estimate an average saleability.

Lettability:

There is a balanced competition in the Kiel office market with less new development but a lot of older buildings. The demand is only local.
The letting of retail space is more difficult; due to the improvement of the Highstreet and City Centre, B-locations are under pressure and a longer marketing period is expected. We estimate a medium lettability.

Alternative use:

None – the existing use is sustainable

Capitalisation rate (resale):

The chosen capitalisation rate is used to calculate the supposable resale value of the property in 10 years. Based on a market situation comparable to today and in consideration of the basic advantages and disadvantages of the property a cap rate of **5.75%** was chosen (due to better market conditions).

Discount rate:

The yield is used to calculate the present value of the cash flows



over a 10-year term. The used valuation model is based on an equivalent yield that implicitly accounts for inflation and growth.

The advantages of the property are the inner city location with good traffic connection near to the main station and that it is completely occupied. A disadvantage is the stagnating rent development and the mostly simple to average fitting quality as well as the short remaining lease terms.

Based on the expected investment risk and the current market situation we assess a discount rate of **3.50%**.

This yield leads to a gross multiplier which is in the medium range of comparable sales and in the market range for older properties in sustainable locations.

Market trends:

LOCATION	GROSS YIELD	TREND
very good	5.5 - 6.0	↘
good	6.0 - 6.5	→
average	6.5 - 7.5	→
simple	8.0 - 10.0	→

Purchasers cost:

An asset deal is assumed. Cost for broker, legal and transfer tax have to be deducted from the capital value.

Legal	1,00%
Tax	6,50%
Broker	3,00%
Total	10,50%

Market value per sq. m.

1,945 €/sq. m.

Comments on the sales price:

n/a



2.5 Market value and conclusion

Based on our calculations and in accordance with Red Book we estimate the market value of the property Walkerdamm 1, D-24103 Kiel on the date December 31, 2020 at

9,700,000.00 €
in words: nine million seven hundred thousand Euros

Conclusion:

The property is an office and retail building with an underground garage. It is an average quality building in a B-location in the Kiel city center, sustainable for office use, but partly simple for retail use, away from the pedestrian stream, but with a stable income on a low level.

With the exception of the residential segment and logistics properties, the dynamics of price increases in recent years have largely been halted by the Corona pandemic. Therefore, value assumptions remain mostly unchanged compared to last year.

We estimate only an average eligibility for collateral in the long term and short term.

Hamburg, 18/01/21

Steffen Schroeder
Immobiliensachverständiger

No conflict of interest

We confirm that we have no conflict of interest, either with the Borrower or with the properties in question. We also confirm that the valuer does not benefit (other than from receipt of the valuation fee) from this valuation instruction.

Copyright

The Client assures that all valuations, reports, plans, drafts, renderings, tables and calculations will only be used for those purposes specified in the contract and will not be published without the prior consent of the valuer in each individual case. The Client will only pass on the results of Advisor's work to third parties, even if directly connected with the Client, with the explicit prior written consent of the Advisor.

Indemnity insurance

The valuer assures that the amount of their professional indemnity insurance is limited to €2.5 million on a per case basis.



3 Appendix

Appendix 1	Comparables
Appendix 2	Conditions of the rental contracts
Appendix 3	DCF Calculation Layout plan
Appendix 4	SWOT Analysis
Appendix 5	Macro - micro location analysis
Appendix 6	Cadastral map
Appendix 7	Copy of land register
Appendix 8	Statement of the Environmental Agency
Appendix 9	Register of public obligations
Appendix 10	Preservation order
Appendix 11	Status of taxes and contributions
Appendix 12	Photo documentation
Appendix 13	Layout plan



Comparables

Appendix 1

Sales comparables

#	year	type	location	YOC	usable area	purchase price	multiplier	price €/m ²
1	2018	office/ com.	Kehdenstr. 2	1960	3,500	6,500,000 €	17.60	1,857
2	2018	office building	Kaistraße	2017	6,738	23,170,000 €	20.56	3,439
3	2019	Mixed use (offer)	Highstreet	1955	1,950	10,100,000 €	18.00	5,179
4	2020	office building	Kronshagener	1994	22,453	54,750,000 €	19.98	2,438
5	2020	Mixed use (offer)	Holtenuaer Str	1905/2020	1,225	4,240,000 €	21.67	3,461

Asking office rents in neighbourhood

Distance km	sq.m.	rent	€/m ²	Notes
0.2	55.00	599.00	10.89	Walkerdamm 17
0.3	481.00	4,810.00	10.00	Schaßstr
0.3	129.00	1,996.00	15.47	Sophienblatt 40 (new construction)
0.5	250.00	1,750.00	7.00	simple quality, 1960ies
0.7	234.00	1,895.00	8.10	Harmsstraße

Asking retail rents in in neighbourhood

Distance km	sq.m.	rent	€/m ²	Notes
0.3	115	995.00	8.65	B-location
0.4	160	4,950.00	30.94	Highstreet
0.6	375	7,500.00	20.00	Highstreet
0.6	177	3,900.00	22.03	Highstreet
0.7	115	2,865.00	24.91	Alter Markt



Conditions of the rental contracts

Appendix 2

	#	Tenant	use	kind	units	Interest betw. tenant/ owner	Start of contract	End of contract	Prolongation / option	Space sq. m.	current €/sqm	current income month	Rent adjustment	Remarks
commercial	1	vacant	office		1	no				219.68	0.00	0.00		contract ends at 31.12.2020
	2	hospital administratio	office	university	3	no	01.08.2010	31.12.2021		2,503.27	10.68	26,725.63	100% CPI adjustment p.a.	€ 6,909 p.a. admin costs paid by tenant
	3	tax advisor	office	tax advisor	1	no	01.07.2010	30.06.2022	none	518.81	9.57	4,966.61	100% CPI adjustment p.a.	2% admin cost paid by tenant
	4	social counseling	office	social office	1	no	01.05.2010	30.04.2022	none	508.42	8.53	4,337.43	100% CPI adjustment p.a.	1.5% admin cost paid by tenant
	5	shop	retail		1	no	01.10.2019	30.09.2024	none	243.72	8.50	2,071.62	5 points CPI change (base 2005)-> 100 % adjustment	4% admin cost paid by tenant
	6	party office	retail	party office	1	no	01.02.2014	31.01.2022	none	110.00	7.89	867.78	10 points CPI change-> 100 % adjustment	
	7	travel wear shop	retail	travel wear shop	1	no	01.02.2011	31.01.2022	none	383.59	9.21	3,532.05	100% CPI adjustment p.a.	
	8	daycare for handicapped poeple	retail	care of handicapped poeple	1	no	01.06.2011	31.05.2023		179.93	10.27	1,848.04	5% CPI change -> 100% adjustment	
	9	fitness studio	retail	yoga training	1	no	01.11.2013	30.09.2021	yearly prolongation	158.78	5.17	820.98	100% CPI adjustment p.a.	
	10	vacant	storage		1					35.16	0.00	0.00		
	11	tax advisor	storage		1	no	01.07.2010	30.06.2022		126.77	2.27	287.96		
parking											0.00			
											0.00			
		outside occupied	parking out		14						52.94	741.20		
	outside vacant	parking out		70						0.00				
	inside occupied	parking in		7						54.67	3,826.79			
	inside vacant	parking in		7						0.00				
Total					104					4,988.13		50,026.09	WALT in years	1.25



DCF Calculation

Appendix 3

Gross Rental Income

Use	tenant	No. units	space sqm	current rent €/sqm	sustain. rent €/sqm	Lease-up period in months	Rent adjustment in years	year 1	year 2	year 3	year 4	year 5	year 6	year 7	year 8	year 9	year 10	resale	
commercial	office (vacant)	1	219.68		10.00	3		19,771	26,362	26,362	26,362	26,362	26,362	26,362	26,362	26,362	26,362	26,362	26,362
	office (hospital administration)	3	2,503.27	10.68	9.50			320,708	142,686	285,373	285,373	285,373	285,373	285,373	285,373	285,373	285,373	285,373	285,373
	office (tax advisor)	1	518.81	9.57	9.50			59,599	55,673	59,144	59,144	59,144	59,144	59,144	59,144	59,144	59,144	59,144	59,144
	office (social counseling)	1	508.42	8.53	9.50			52,049	52,394	57,960	57,960	57,960	57,960	57,960	57,960	57,960	57,960	57,960	57,960
	retail (shop)	1	243.72	8.50	8.50			24,859	24,859	24,859	21,761	21,743	24,859	24,859	24,859	24,859	24,859	24,859	24,859
	retail (party office)	1	110.00	7.89	7.89			10,573	9,430	10,893	11,056	11,222	11,390	11,561	11,735	11,911	12,089	12,266	12,444
	retail (travel wear shop)	1	383.59	9.21	9.25			42,385	37,240	42,578	42,578	42,578	42,578	42,578	42,578	42,578	42,578	42,578	42,578
	retail (daycare for handicapped p	1	179.93	10.27	10.00			22,176	22,176	20,484	21,592	21,592	21,592	21,592	21,592	21,592	21,592	21,592	21,592
	retail (fitness studio)	1	158.78	5.17	5.00			8,579	9,527	9,527	9,527	9,527	9,527	9,527	9,527	9,527	9,527	9,527	9,527
	storage (vacant)	1	35.16			3.00	3	949	1,266	1,266	1,266	1,266	1,266	1,266	1,266	1,266	1,266	1,266	1,266
storage (tax advisor)	1	126.77	2.27	2.50			3,456	2,680	3,803	3,803	3,803	3,803	3,803	3,803	3,803	3,803	3,803	3,803	
parking	parking out (outside occupied)	14		52.94															
	parking out (outside vacant)																		
	parking in (inside occupied)	70		54.67	60.00			50,400	50,400	50,400	50,400	50,400	50,400	50,400	50,400	50,400	50,400	50,400	50,400
	parking in (inside vacant)	7			60.00	12			5,040	5,040	5,040	5,040	5,040	5,040	5,040	5,040	5,040	5,040	
Total		104	4,988.13				615,505	439,734	597,689	595,861	596,010	599,294	599,465	599,638	599,814	599,993	598,319		

Non Recoverable Cost

management	2.00%																		
running maintenance	8.50 €/sqm																		
cost of tenant fluctuation (vacancy)																			
other NRC																			
Total of non recs	8.89%																		

Net Rental Income								560,796	388,540	543,336	541,545	541,691	544,909	545,077	545,247	545,419	545,594	543,953
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Capital Expenditures

deferred maintenance																			
capex																			
tenant improvements/ modernisation																			

Property resale	Cap Rate																		

Net Cash Flow								556,826	336,912	353,342	541,545	529,505	544,909	545,077	545,247	545,419	10,005,648	
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Discount	Rate							537,996	314,511	318,694	471,925	445,829	443,284	428,425	414,067	400,191	7,093,192	
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Net Present Value				10,868,114 €															
Transaction cost	10.50%			-1,141,152 €															
Value				9,726,962 €															
Market Value (rounded)				9,700,000 €															

For Information

Multiplier on current rent	16.16	Price per sqm	1,945
Multiplier on sustainable rent	16.21	Resale multiplier	15.77



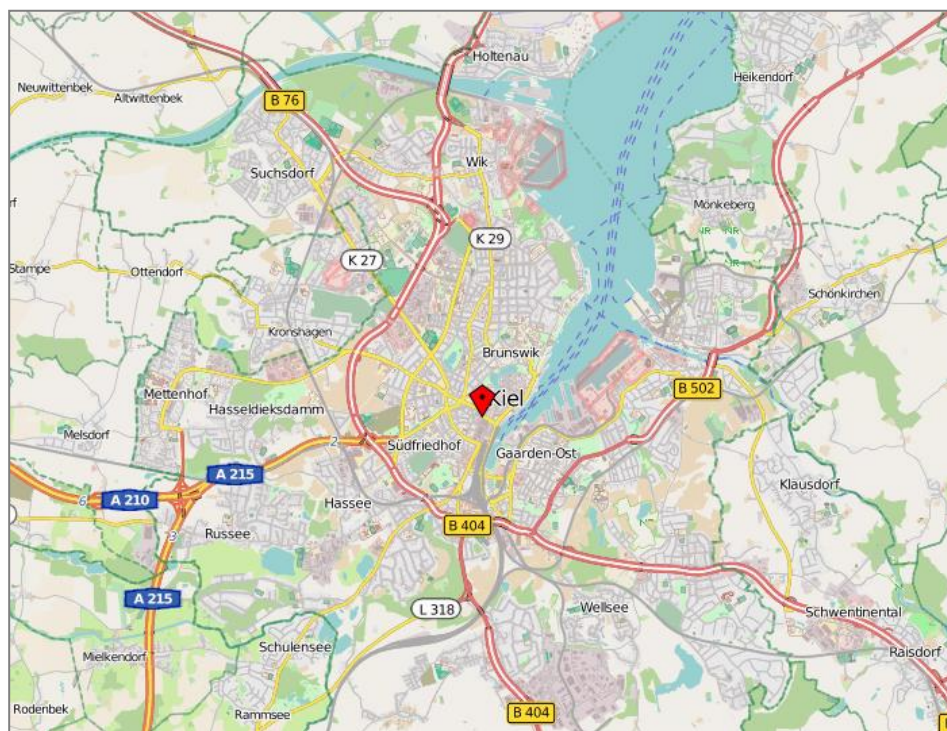
SWOT analysis

Appendix 4

- Strengths:
- Sustainable inner city B-location with good accessibility and visibility from the street
 - Comprehensive number of parking lots in an underground garage
 - Solid building quality with a sufficiently flexible structure
 - Overall good demand for office buildings in B-city centre locations
- Weaknesses:
- A location away from the pedestrian stream and a simple quality for retail lead to a low rent level on Walkerdamm
 - Short-term leases
 - Reduced rent level for the biggest retail unit in the property
- Opportunities:
- Slightly increasing office rent level in the future due to less new office developments
 - Growing service sector leads to a higher demand for office space in the city
- Threats:
- Stagnating average office rent level over the last years
 - Declining retail rent level in the local market
 - Almost 30 year old building with an increasing basic modernization risk
 - Stagnating medium term income of the property without any special increase potential
 - *The economic consequences of the Corona crisis and the impact on the real estate market cannot yet be assessed conclusively.*



Macro location map:



City: Kiel (capital of the federal state)

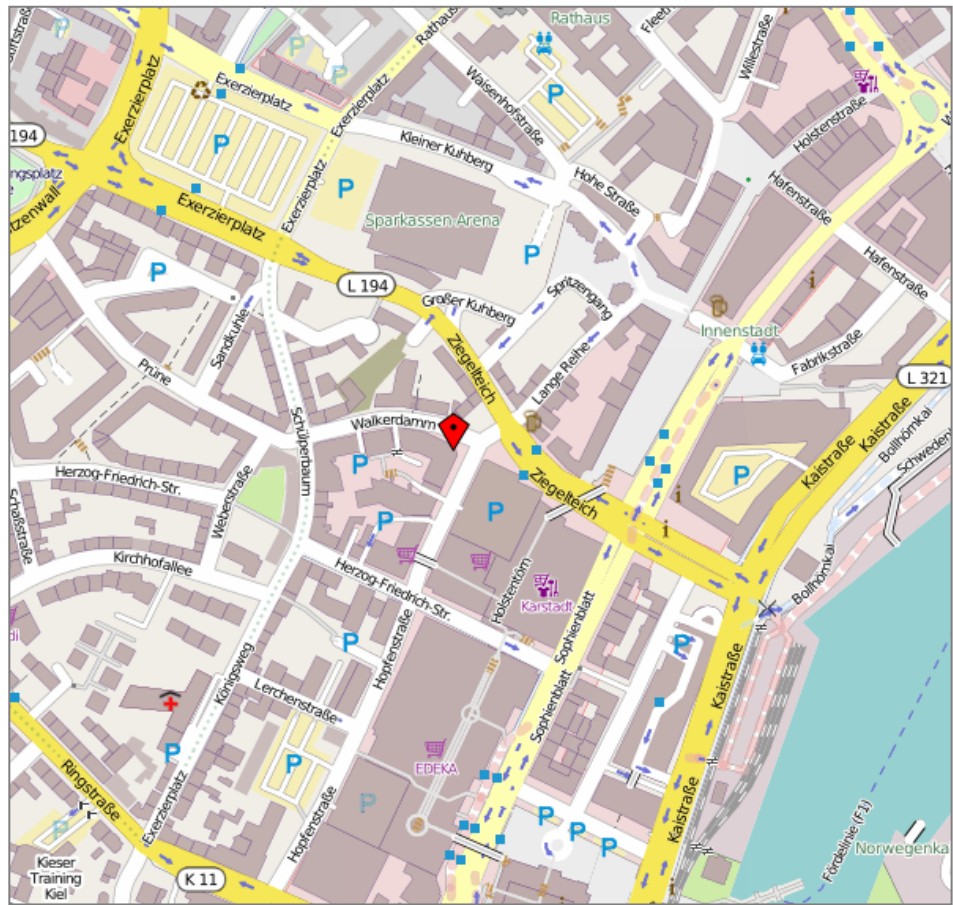
Socio-demographic facts: Inhabitants: Approx. 247,548 (+2.5% in 5 years)
 Unemployment rate: city 7.6%/ Germany 5.9%
 Purchase power: 89.6 (German average = 100)

Key facts: Kiel, as a harbour city at the Baltic sea, is an intersection of the ferry and goods traffic to Scandinavia and the eastern European countries since the 1960ies. The capital of the federal state is situated near the Kiel Canal (Nord-Ostsee-Kanal), which is one of the most frequented waterways of the world. Kiel is the cultural and economic centre of the northern part of Schleswig-Holstein. A university with 29,000 students, a comprehensive retail landscape as well as the adjacent Baltic Sea provide a high quality of life and leisure. Kiel is worldwide known for the “Kieler Woche”, Germany’s sailing event with more than 3 million visitors each year.

Economic trends: Kiel’s economic structure is widely diversified and the city is more and more developing into a high-tech industry and a tourist location with an increasing portion of the service sector. But the local economy is still in a restructuring process from a harbour and ship industry to the service business, driven by young people and students as well as the increasing number of inhabitants. Currently the economic situation is still deeply impaired by the pandemic crisis. The index of the economic climate of Schleswig-Holstein in the 3rd quarter is at 98.2 and definitely below the long-term average of 110. However, the economy in Schleswig-Holstein has rapidly stabilized again since the crisis-related slump in the first quarter. But the economic outlook is not clearly predictable.



Micro-location map:



Surroundings:

The district "Vorstadt" is part of the inner city (CBD) of Kiel with the central station and an agglomeration of shopping malls, like "Sophienhof", shopping streets and office locations. It is characterized by commercial and mixed-use buildings with an urban supply of shops and restaurants. Hopfenstraße is a parallel street to the pedestrian zone (Thaulowstraße) and the Sophienhof (sheltered retail centre). The neighbourhood is characterized by mixed-use with retail shops on ground level and offices or residential use on the upper floors. On the opposite street side of Hopfenstraße is a department store (Karstadt and the Sophienhof). The nearby intersection Hopfenstraße/Ziegelteich is highly frequented and offers a view on the valuation property. In the neighbourhood along Walkerdamm are new apartment houses which have improved the appearance of the street view.

Distance:

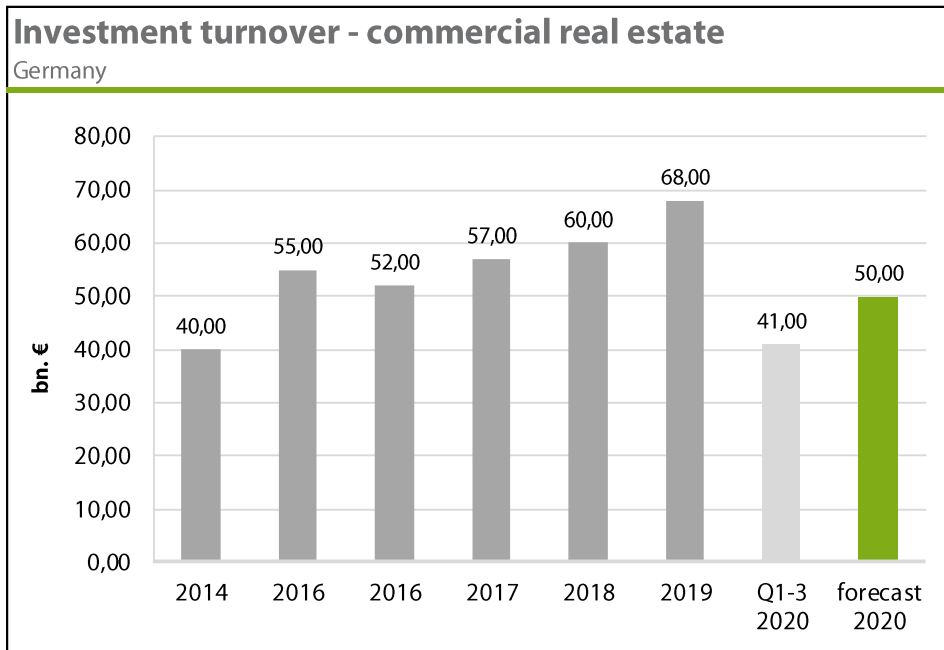
Public transport:	Bus station in 200m
Motorway:	A 215 AS Kiel-Westring in 1.5km
Railway:	Kiel central station in 400m
Airport:	Hamburg-Fuhlsbüttel in about 1 hour by car
City centre:	Kiel city centre in 100m

Assessment of the location quality:

Medium quality for office – established inner city location.
Simple to medium for retail – well accessible but especially Walkerdamm is definitely aside the main pedestrian flow.



German investment market:



Main market trends:

- ▲ After the boom year 2019, the investment market is definitely influenced by the Corona crisis this year.
- ▲ However, the sales volume for commercial real estate transactions in Q1-3 2020 was only 6% below the same period of the previous year, indicating that market participants already consider the crisis to be largely overcome.
- ▲ Investors are reacting with a change in investment focus, risk-free investments (asset class Core) are even more in demand than before and properties with leasing risks, such as retail or office in B-locations, are showing significant declines in demand.
- ▲ The top yields of core properties of all types of use (office, logistics, retail) will therefore increasingly converge and continue to be in the strongest demand.
- ▲ The investment capital is Berlin with approx. € 6.1 billion in the first three quarters of 2020 followed by Munich (€ 3.5 billion) by a wide margin.
- ▲ Demand is rising in line with the purchase price volume and location in the metropolitan regions.
- ▲ Office properties continue to be the asset class with the largest volume (approx. 41%).
- ▲ Prime yields remain at historically low levels, below 3% for top properties in metropolitan areas, and have continued to decline slightly this year, particularly for top logistics properties and food-oriented retail properties.
- ▲ Market participants are forecasting sales of around €50 billion in 2020, which would represent a decline of around 30% compared with the pre-Corona year.

Kiel Investment market: Prime gross yield office property: 5.0%
 Prime gross yield retail property: 5.25%

The market situation for retail investments has weakened slightly, especially for non-food retail.



Auszug aus dem Liegenschaftskataster

Liegenschaftskarte 1:1000

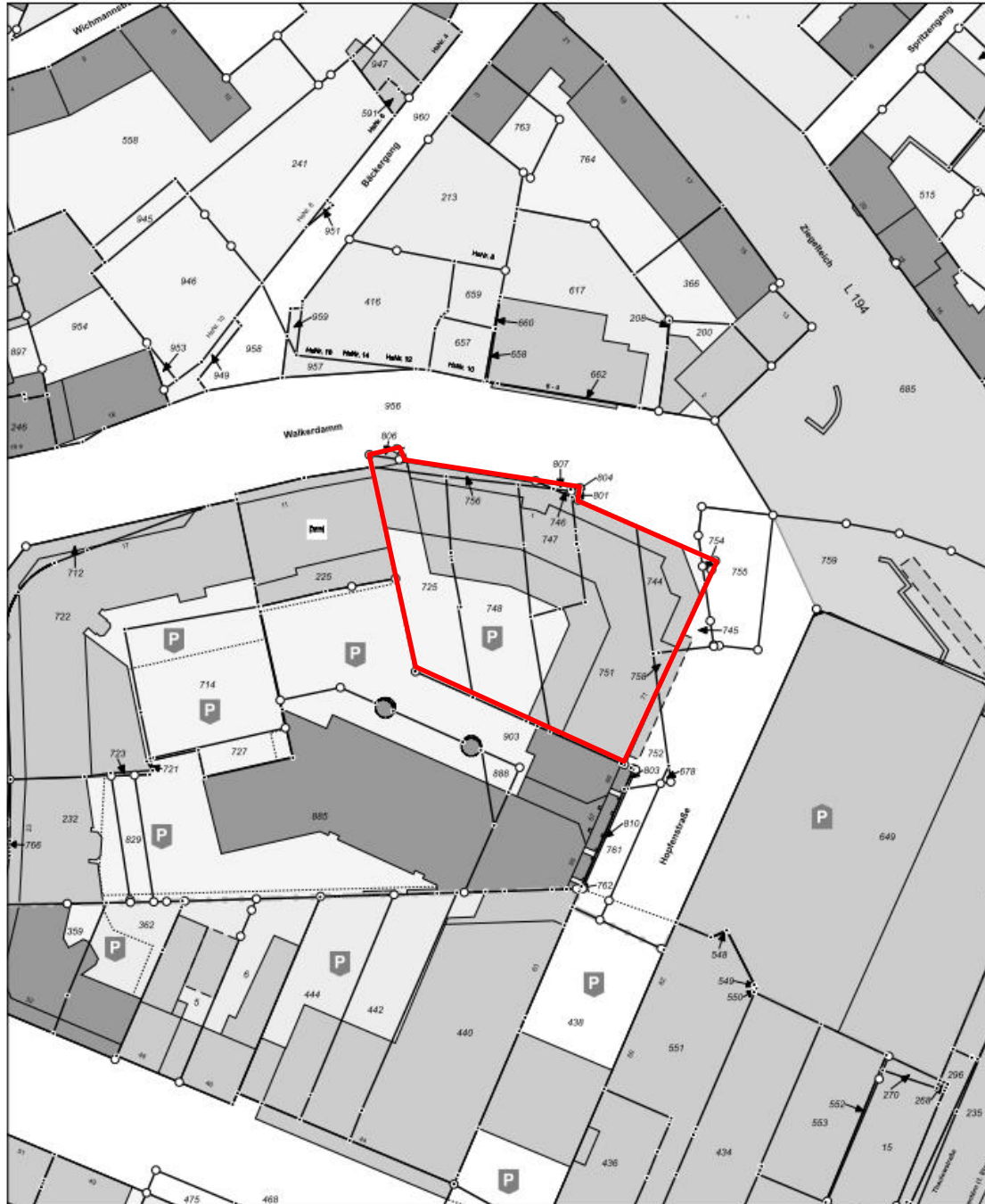
Erstellt am 18.12.2014

Flurstück: 748
Flur: 16
Gemarkung: Kiel-M

Gemeinde: Kiel
Kreis: Kiel



Erteilende Stelle: Katasteramt
Kronshagener Weg 107
24116 Kiel
Telefon: 0431-23763-0
E-Mail: Poststelle-Kiel@LVermGeo.landsh.de



Maßstab: 1:1000 Meter





Ausdruck

Amtsgericht Kiel
Grundbuch

von

Kiel
Blatt 776

Dieses Blatt ist zur Fortführung auf EDV neu gefasst worden und dabei an die Stelle des bisherigen Blattes getreten. In dem Blatt enthaltene Rötungen sind unter Umständen schwarz sichtbar. Freigegeben am 10.10.2006.

Dahl

Datum des Abrufs: 28.07.2010 08:03:15
Letzte Eintragung vom: 27.07.2010

Seite 1 von 14

Amtsgericht Kiel		Grundbuch von Kiel			Blatt 776	Bestandsverzeichnis		
Laufende Nummer der Grundstücke	Bisherige laufende Nummer der Grundstücke	Bezeichnung der Grundstücke und der mit dem Eigentum verbundenen Rechte			Größe			
		Gemarkung (Vermessungsbezirk)	Flur	Karte Flurstück	Wirtschaftsart und Lage	ha	a	m ²
1	2	a	b	c	4			
18		Kiel-M	016	725	Gebäude- und Freifläche, Hopfenstraße 71, Walkerdamm 1		4	32
		Kiel-M	016	744	Gebäude- und Freifläche, Hopfenstraße 71, Walkerdamm 1		1	87
		Kiel-M	016	746	Verkehrsfläche, Walkerdamm			1
		Kiel-M	016	747	Gebäude- und Freifläche, Hopfenstraße 71, Walkerdamm 1		2	22
		Kiel-M	016	748	Gebäude- und Freifläche, Hopfenstraße 71, Walkerdamm 1		5	63
		Kiel-M	016	751	Gebäude- und Freifläche, Hopfenstraße 71, Walkerdamm 1		7	06
		Kiel-M	016	754	Gebäude- und Freifläche, Hopfenstraße 71, Walkerdamm 1			5
		Kiel-M	016	756	Gebäude- und Freifläche, Hopfenstraße 71, Walkerdamm 1			51
		Kiel-M	016	758	Gebäude- und Freifläche, Hopfenstraße 71, Walkerdamm 1			13
		Kiel-M	016	801	Verkehrsfläche, Walkerdamm			2

Ausdruck 28.07.2010 08:03:15 Seite 3 von 14



Amtsgericht Kiel		Grundbuch von Kiel			Blatt 776	Bestandsverzeichnis 2		
Laufende Nummer der Grundstücke	Rihterige laufende Nummer der Grundstücke	Bezeichnung der Grundstücke und der mit dem Eigentum verbundenen Rechte			Wirtschaftswert und Lage	Größe		
		Gemarkung (Vermessungsbezirk)	Flur	Flurstück		ha	a	m²
1	2	a	b	3	4			
20 zu19		Kiel-M	016	804	Verkehrsfläche , Walkerdamm			1
		Kiel-M	016	806	Verkehrsfläche , Walkerdamm			5
		Kiel-M	016	807	Verkehrsfläche , Walkerdamm			5
		Wegerecht an dem Grundstück Kiel Blatt 22980 lastend auf den Flurstücken 749 und 802 der Flur M 16, eingetragen dort in Abt. Nr. 2.						

Ausdruck 28.07.2010 08:03:15 Seite 5 von 14

Amtsgericht Kiel		Grundbuch von Kiel		Blatt 776	Erste Abteilung
Laufende Nummer der Eintragungen	Eigentümer/ Eigentümerin	Laufende Nummer der Grundstücke im Bestandsverzeichnis	Grundlage der Eintragung		
1	2	3	4		
1	Rheinisch-Westfälische Grundstücks-Investment GmbH, Düsseldorf	19, 20/zu19	Nr. 1 bei Neufassung der Abteilung ohne Eigentumswechsel eingetragen am 10.10.2006. Dahl		
2	IVG Management GmbH & Co. Officeportfolio IV KG i.G., Bonn	19	Auflassung vom 25./26.09.2006; eingetragen am 03.09.2007. Burkhardt		
3	IVG Management GmbH & Co. Officeportfolio IV KG, Bonn	19	Angaben der Eigentümerin berichtigt (Handelregister Bonn HRA 6588) und neu vorgetragen am 27.09.2007. Burkhardt		

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Amtsgericht Kiel		Grundbuch von Kiel	Blatt 776	Zweite Abteilung	Einlegebogen 1
1	2	3			
Laufende Nummer der Eintragungen	Laufende Nummer der betroffenen Grundstücke im Bestandsverzeichnis	Lasten und Beschränkungen			
7	19	Beschränkte persönliche Dienstbarkeit (Geh- und Leitungsrecht) für Landeshauptstadt Kiel; gemäß Bewilligung vom 02.07.1987 in Verbindung mit § 8 des Tauschvertrages vom 09.12.1986 eingetragen am 25.09.1987.			
8	19	Lastend auf den Flurstücken 744, 754, 756, 758, 804, 806 und 807 der Flur M 16: Beschränkte persönliche Dienstbarkeit (Recht, Versorgungsleitungen und einen Verteilerschrank für Straßenbeleuchtung zu unterhalten) für Stadtwerke Kiel in Kiel; gemäß Bewilligung vom 02.07.1987 in Verbindung mit § 8 des Tauschvertrages vom 09.12.1986 eingetragen am 25.09.1987.			
12	19	<p><u>Die Rheinisch-Westfälische Grundstücks-Investment GmbH in Düsseldorf darf gemäß § 31 Abs. 2 des Gesetzes über Kapitalanlagegesellschaften in der Fassung der Bekanntmachung vom 14.01.1970 (BGBl. I S. 27) über den Grundbesitz nur mit Zustimmung der Westdeutsche Landesbank Girozentrale in Düsseldorf/Münster als Depotbank für das Sondervermögen „West-Invest 1“ verfügen;</u> eingetragen am 19.03.1992.</p> <p>Nr. 1-6, 9-11 bereits gelöscht. Nr. 7-8, 12 bei Neufassung der Abteilung eingetragen am 10.10.2006.</p> <p style="text-align: center;">Dahl</p>			
13	19	<p><u>Auflassungsvormerkung für IVG Management GmbH & Co. Officeportfolio IV KG I.G., Bonn; der Anspruch ist nicht abtretbar.</u></p>			

Ausdruck 28.07.2010 08:03:15 Seite 9 von 14

Amtsgericht Kiel		Grundbuch von Kiel	Blatt 776	Zweite Abteilung	Einlegebogen 2
1	2	3			
Laufende Nummer der Eintragungen	Laufende Nummer der betroffenen Grundstücke im Bestandsverzeichnis	Lasten und Beschränkungen			
		<p>gemäß Bewilligung vom 25./26.09.2006 (Notar Dr. Hans-Christoph Schüller in Düsseldorf, UR-Nr. 2084/06 S); eingetragen am 31.10.2006.</p> <p style="text-align: center;"><u>Burkhardt</u></p>			

Ausdruck 28.07.2010 08:03:15 Seite 11 von 14

Landes-
hauptstadt Kiel

Landeshauptstadt Kiel Postfach 1152 24099 Kiel

Amt

Umweltschutzamt
untere Wasserbehör-An die
Real Estate Struccess GmbH
Kurze Mühren 1
20095 HamburgDatum: 14.07.2010
Ihr Zeichen und Da- 13.07.2010
Unser Zeichen: 18.13-Er
Ihre Ansprechpartne- Frau Ermlich
Telefon (0431) 0431/901-3778
Telefax (0431) 0431/901-74 3778
E-Mail: claudia.ermlich@kiel.Dienstgebäude: Holstenstraße 106-
Zimmer: 105
Erreichbar mit Bus:**Informationen über schädliche Bodenveränderungen bzw. Altlasten**

hier: Walkerdamm 1 / Hopfenstraße 71 In 24103 Kiel, Gemarkung Kiel M 16 Flurstücke 725, 744, 746, 747, 748, 751, 754, 756, 758, 801, 804, 806, 807

Sehr geehrte Damen und Herren,

mit Schreiben vom 13.07.2010 baten Sie um Auskunft, ob für die Liegenschaft Walkerdamm 1 / Hopfenstraße 71 Informationen über Altlasten bzw. schädliche Bodenveränderungen vorliegen.

Der Form halber möchten wir Sie vorab darauf hinweisen, dass sich für das Stadtgebiet der Landeshauptstadt Kiel das Boden- und Altlastenkataster im Sinne des Landesbodenschutz- und Altlastengesetzes Schleswig-Holstein noch im Aufbau befindet. Soweit die Datenerhebung und Bewertung noch nicht abgeschlossen ist, stammen die Informationen für unsere derzeitige Einschätzung aus einem sogenannten Prüfverzeichnis. Spätere Änderungen und Ergänzungen sind daher nicht auszuschließen. Das Prüfverzeichnis enthält zusätzlich Informationen zu Boden- und Grundwasserkontaminationen und -veränderungen oder deren Verdacht, die nicht auf Altlasten im Sinne des Bundes-Bodenschutzgesetzes (§ 2) zurückzuführen sind.

Nach heutigem Kenntnisstand liegen uns für die Liegenschaft Walkerdamm 1/Hopfenstraße 71 folgende Kenntnisse vor: Der gesamte Grundstückskomplex gehörte zu den ehemaligen Grundstücken Walkerdamm 1 – 11.

- Das jetzige Flurstück 725 (ehemals Walkerdamm 11 bis 1956 bzw. Walkerdamm 9a seit 1956) ist nach einer Erstbewertung und Klassifizierung in das Archiv A 1 eingestuft (eine Gefährdungsvermutung wird nachzeitigem Kenntnisstand nicht gesehen) und als Altstandort AS 429 (s. Anlage, schraffierter Bereich) im Boden- und Altlastenkataster der Landeshauptstadt Kiel aufgrund folgender Nutzungen erfasst:
von vor 1900 bis ca. 1919 Brauerei
von ca. 1919 bis ca. 1929 Markthalle
von ca. 1929 bis ca. 1936 Autohalle/Autohof
von ca. 1936 bis ca. 1944 Tankstelle und Autohof

- 2 -

Bitte beachten Sie:
Zurzeit können per E-Mail noch
keine rechtswirksamen Erklärungen
abgegeben werden.Sparkasse Kiel 100 016
(BLZ 210 501 70)
sowie Konten
bei allen Kieler BankenPostbank Hamburg:
Konto: 3300205
(BLZ 200 100 20)Juristische
Behördenbezeichnung:
Landeshauptstadt Kiel
Die Oberbürgermeisterin



- 2 -

von ca. 1948 bis ca. 1950 Tankstelle und Autohof
von ca. 1951 bis ca. 1981 Tankstelle und Autohof. Die 3*10.000l Lagerbehälter sind laut TÜV-Bescheinigung vom 23.4.1981 ausgebaut worden.
1982 und 1986 wurden die Gebäude abgebrochen.
Seit 1989 ist das Areal neu bebaut.

Gutachten über das Grundstück, behördliche Auflagen und Hinweise über Grundwasser- und/oder Bodenverunreinigungen aufgrund der ehemaligen Nutzungen sowie eventuell durchgeführte Grundwassersanierungen/Bodenentsorgungen liegen nicht vor.

Sollten Ihnen oder dem/der Grundstückseigentümer/in Informationen vorliegen, die hiervon abweichen bzw. den Verdacht einer Bodenverunreinigung ausräumen oder begründen können, so bitten wir um Mitteilung bzw. Übersendung von Kopien.

Für Rückfragen stehen wir Ihnen selbstverständlich gerne zur Verfügung.

Mit freundlichen Grüßen

i.A. 
Claudia Ermlich

Rechnung geht an:

An die
IVG Management GmbH & Co – Officeportfolio IV-KG
IVG Asset Management GmbH
C/o Frau Hochrein
Baumwall 7
20459 Hamburg



Preservation order

Appendix 12

Due to building age and appearance we assume that the building is not listed as an ancient monument.

Landes-
hauptstadt Kiel

Landeshauptstadt Kiel Postfach 1152 24099 Kiel

Amt

Stadtplanungsamt

Real Estate Struccess GmbH
Kurze Mühren 1

20095 Hamburg

Datum: 16.07.2010
 Ihr Zeichen und Datum: 61.02.16k
 Unser Zeichen: Frau Krause
 Ihre Ansprechpartnerin: 901-1842
 Telefon (0431) 901-82858
 Telefax (0431) Sabine.Krause
 E-Mail: @kiel.de
 Dienstgebäude: Rathaus
 Zimmer: 533
 Erreichbar mit Bus: alle Hauptlinien

Auskunft über Erschließungs- und Ausbaubeiträge

Sehr geehrte Damen und Herren,
 sehr geehrte Frau Farwer,

auf Ihre Anfrage vom 13.07.2010 teilen wir Ihnen mit, dass auf dem Grundstück in Kiel,

Walkerdamm 1 / Hopfenstraße 71

zurzeit keine Forderungen nach den Bestimmungen der §§ 127 ff und 154 des Baugesetzbuches bzw. des § 8 des Kommunalabgabengesetzes des Landes Schleswig-Holstein ruhen.

Werden die Hopfenstraße oder der Walkerdamm oder eine andere das Grundstück erschließende Straße später aus- oder umgebaut oder erneuert bzw. wird das Grundstück durch eine neu hergestellte Straße zusätzlich erschlossen, werden Straßenkostenbeiträge erhoben.

Der Zugang zu einem öffentlichen Weg ist gesichert.

Für diese Auskunft wird gem. der Ziffern 26.1 und 14.2 der Gebührentabelle zur Verwaltungsgebührensatzung der Landeshauptstadt Kiel eine Verwaltungsgebühr in Höhe von **28,50 €** festgesetzt.

Bitte überweisen Sie die Verwaltungsgebühr innerhalb von vier Wochen nach Eingang dieses Schreibens unter **Angabe des Kassenzelchens 0610100105** auf eines der unten genannten Konten.

- 2 -

Bitte beachten Sie:
 Zurzeit können per E-Mail noch
 keine rechtswirksamen Erklärungen
 abgegeben werden.

Förde Sparkasse
 Konto: 100 016
 BLZ: 210 501 70
 IBAN: DE03 2105 0170 0000 1000 16
 BIC: NOLADE21KIE

Postbank Hamburg
 Konto: 3300-205
 BLZ: 200 100 20

Juristische
 Behördenbezeichnung:
 Landeshauptstadt Kiel
 Der Oberbürgermeister

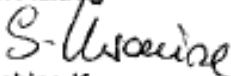


- 2 -

Rechtsbehelfsbelehrung:

Gegen die Festsetzung der Verwaltungsgebühr kann innerhalb eines Monats nach Bekanntgabe dieses Bescheides schriftlich bei der Landeshauptstadt Kiel, Der Oberbürgermeister, Stadtplanungsamt, Postfach 1152, 24099 Kiel oder zur Niederschrift bei der Landeshauptstadt Kiel, Der Oberbürgermeister, Stadtplanungsamt, Rathaus, Zimmer 533 – 536 sowie 541, Fleethörn 9-17, 24103 Kiel Widerspruch erhoben werden.

Mit freundlichen Grüßen
Im Auftrag


Sabine Krause

Durchschrift erhält die
IVG Management GmbH & Co. - Officeportfolio IV – KG
IVG Asset Management GmbH
c/o Frau Hochrein
Baumwall 7
20459 Hamburg



Photo documentation

Appendix 14

Hopfenstrasse



Walkerdamm



Front view





Walkerdamm, newly developed high class residential buildings



Entrance Hopfenstraße



Entrance





Entrance Walkerdamm



Staircase



Staircase





Cellar, electric installations



Cellar, district heating



Rear side





Arcades



Retail unit Reiseshop (travel wear shop)



Retail unit Reiseshop (travel wear shop)





Retail unit Reiseshop (travel wear shop)



Retail unit Reiseshop (travel wear shop)



Retail unit, new tenant, tattoo studio





Former disc record shop, now under construction, tattoo studio



Former disc record shop, now tattoo studio



Office quality (let meanwhile)





Office quality



Office quality



Retail unit WUB, care of handicapped people





Retail unit WUB, care of handicapped people



Retail unit WUB, care of handicapped people



Retail unit AfD, party office





Retail unit AfD, party office



Retail unit Emma Hermansson, yoga trainer



Office units





Office units



Office units



Office units





Office units



Office units



Office units





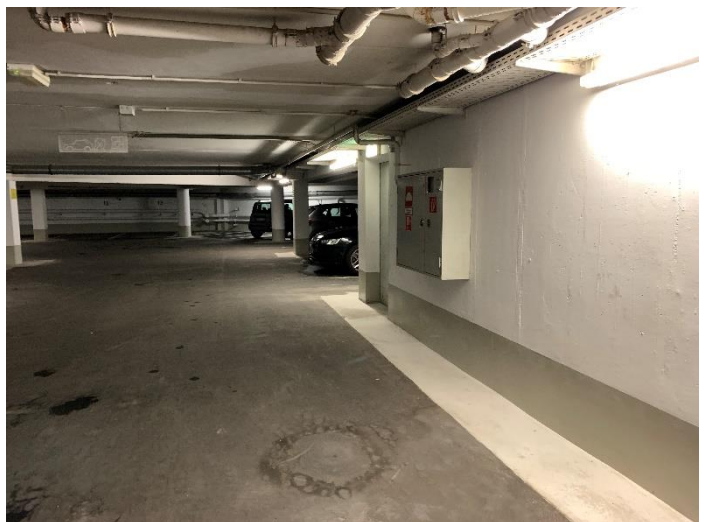
Office units



Office units



Underground parking, repaired





Entrance underground parking



Repaired concrete damage in the underground parking



Plaster and concrete damage repaired in 2019





Repaired sealings, entrance underground parking



Renewed sealings and cover of yard area, underground parking roof

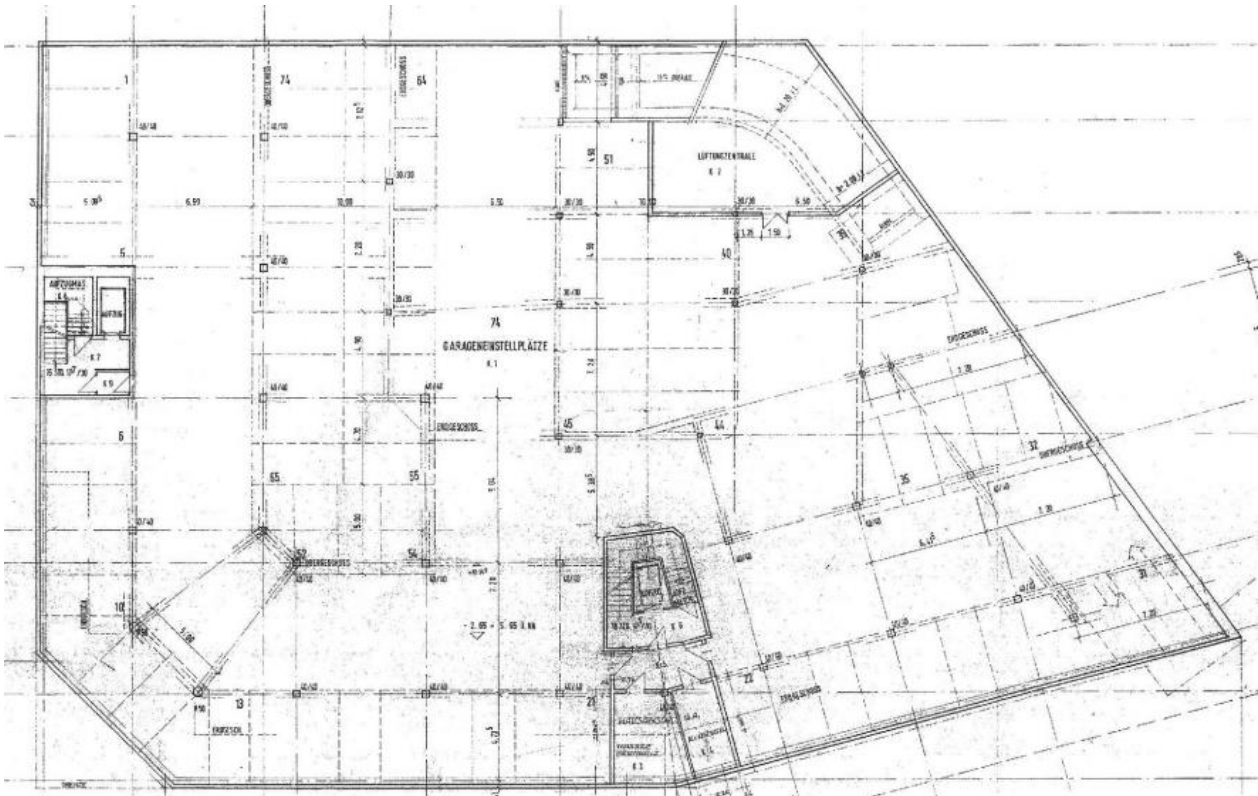




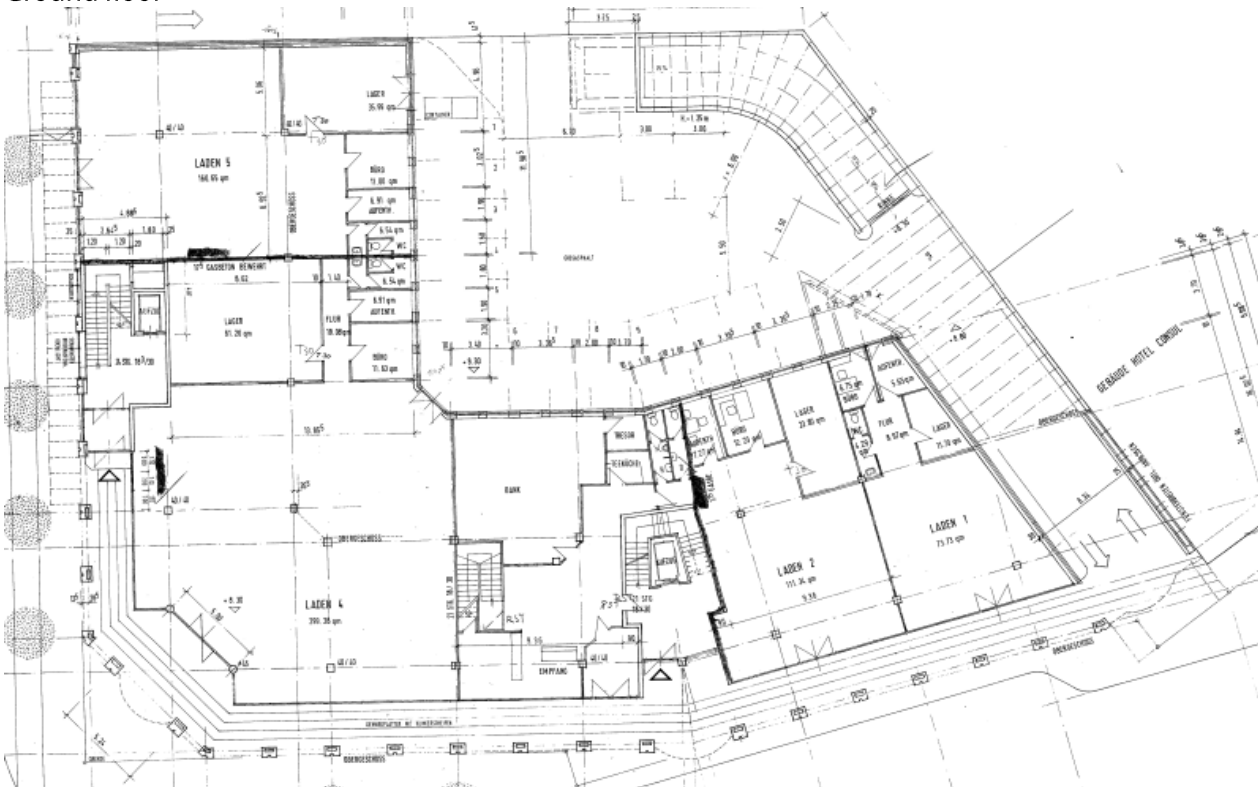
Layout plans

Appendix 10

Basement

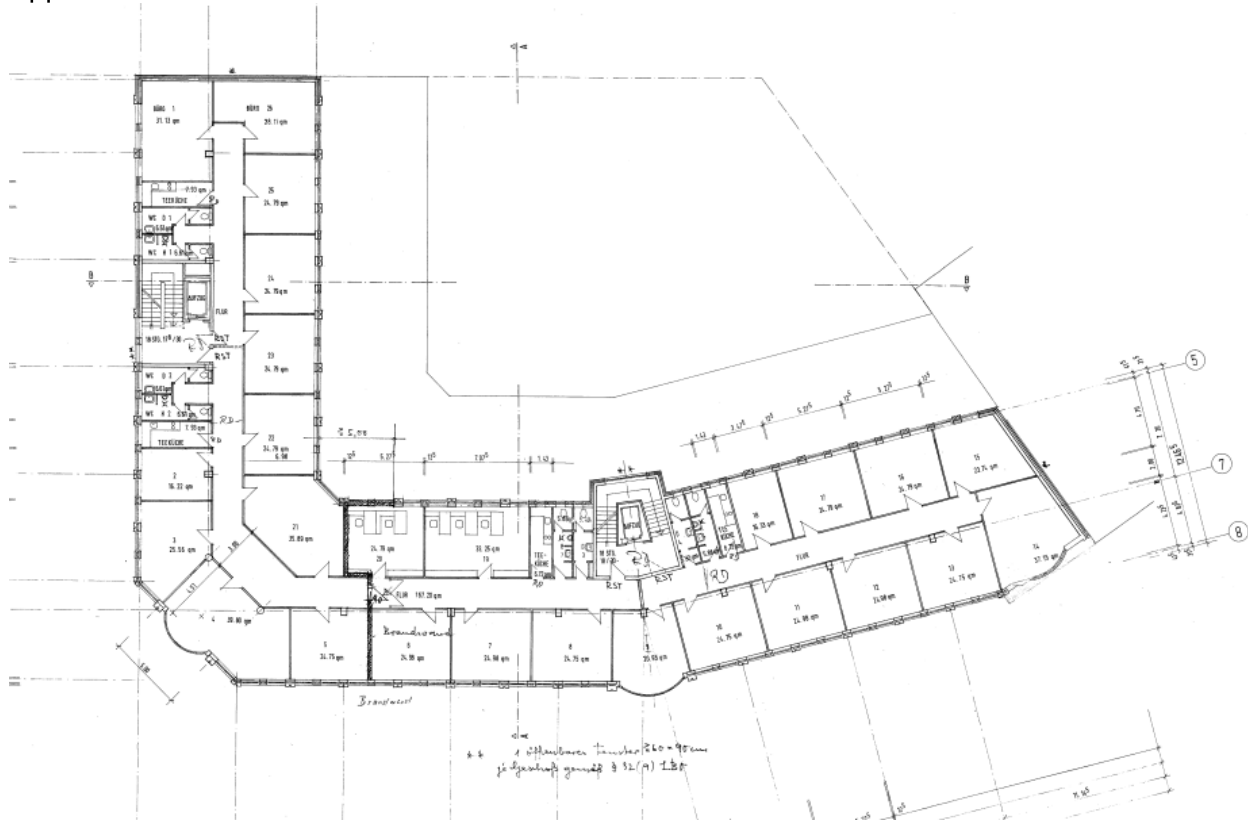


Ground floor

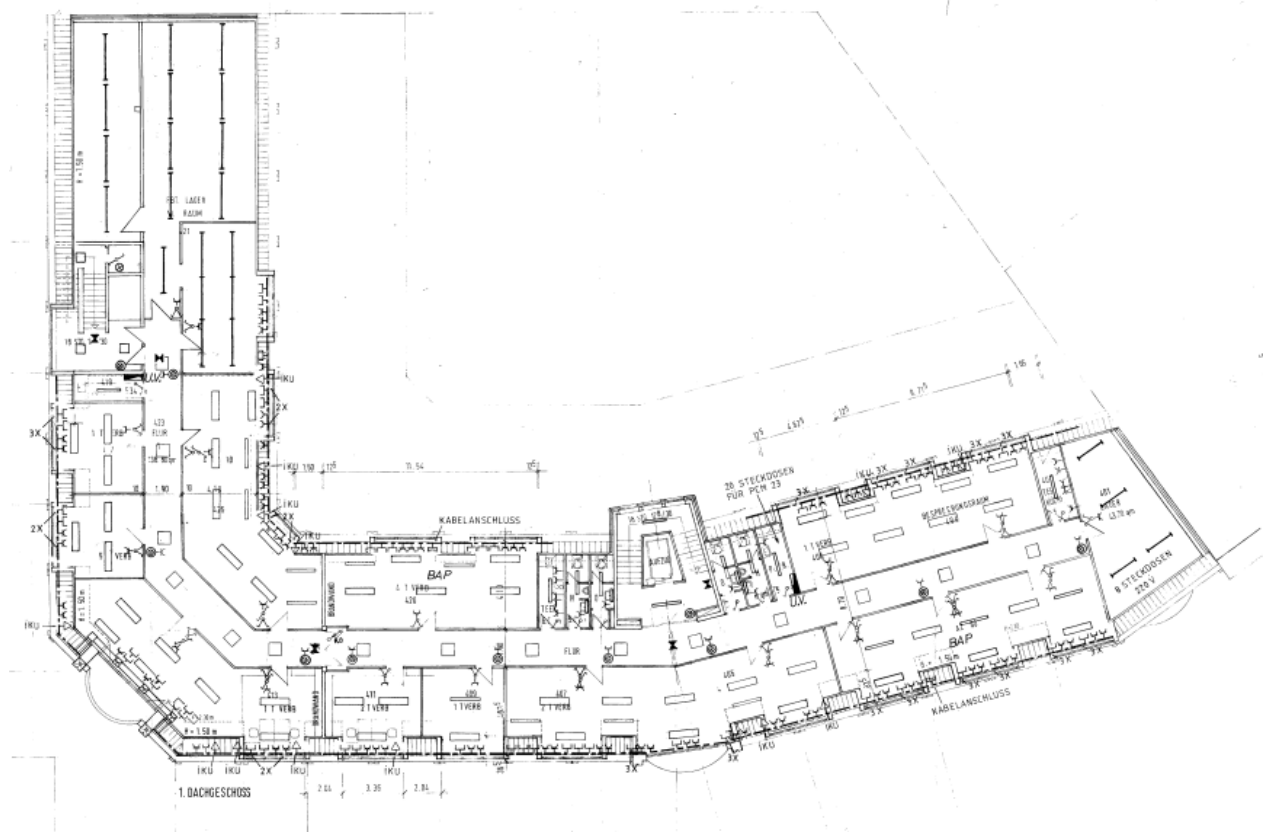




Upper floors



Attic floor





Sectional view

