

German Deka raises AUM to €24bn after year-end deals

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Deka, the fund manager of the German savings bank system, posted strong acquisition and only marginally weaker sales activities at the end of the year, raising total assets under management to €24bn and maintaining its position as the nation's largest property manager.

Deka-ImmobilienGlobal is refocusing on Germany, UK and large urban areas outside of Europe, and now has a target allocation of 30%-40% in Europe, Deka said in a statement. It bought the mixed-use building complex Quartier Leipziger Platz 1 near the iconic Potsdam Square in Berlin for €112m from Berlin Leipziger Platz Grundbesitz, a real estate unit of life insurer Württembergische, raising the fund's exposure to German assets to 6% from 2%. The 22,400 sq.m. complex, completed in 2006, consists of four seven- to 10-storey buildings and is almost completely occupied. Some 17,000 sq.m. are reserved for offices, 2,000 sq.m. for retail.

Also following the new strategy, Deka sold the Barcelona headquarters of BBVA, Spain's second largest bank, with the buyer identified by local media as Inditex founder Amancio Ortega. Deka had bought in 2009 in a sale- leaseback transaction for €82m. Deka declined to name a purchase price but Spanish newspaper Expansión estimated it at around €100m. The buyer in the off-market transaction was advised by Resource Capital Partners. The historic asset built in 1890 offers 14,000 sq.m. office space.

For the open-ended property fund Deka-ImmobilienEuropa, which invests in assets with long lease terms and strong tenants in good locations, Deka said it bought the Austerlitz II office in Paris for €169m from asset manager AEW Europe acting on behalf of an undisclosed French investor. The 22,600 sq.m. office is almost completely let to investment bank Natixis on a long-term contract.

On the other side of the account, Deka sold London's 60 Sloane Avenue mixed-use building for €159m to a consortium of undisclosed European investors out of the same fund, saying it seized the chance to generate earnings from strong demand for such assets. The 11,400 sq.m. building in the centre of South Kensington was completed in 1911 and fully modernised in 1994. The asset is fully-let, some 3,100 sq.m. to retailers.