

TRISTAN FUND EPISO 3 COMPLETES €31 MILLION PURCHASE OF GERMAN LOGISTICS PARK

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London – An opportunistic fund advised by pan-European real estate investment manager Tristan Capital Partners has purchased a 24.3-hectare logistics park in the major German distribution hub of North Rhine-Westphalia from an affiliate of the Edeka Group, one of Germany's largest retailers. The €31 million purchase is the first transaction to complete among three investments in Germany worth a combined total of €327 million that the fund anticipates to complete in early 2015.

European Property Investors Special Opportunities III (EPISO 3) has acquired the park on the outskirts of a suburb of Bielefeld. It comprises almost 85,000 m² of warehousing and offices, 11% of which is currently vacant. Marktkauf Holding, a subsidiary of Edeka Group, will lease back 64% of the park's space that it currently occupies. The Retailexpert CEV Handelsimmobilien GmbH supported Marktkauf Holding in all technical and financial details regarding the transaction.

Ali Otmar, Managing Director of Investments at Tristan Capital, said: "This investment offers an excellent balance between substantial on-going cashflow from strong covenants and the value-add potential through the development of new grade-A logistics space over time. Once the business plan is completed it will become a very attractive fit for long-term core investors which have been increasingly focusing in this attractive asset class in Germany."

Five of Germany's 10 largest logistics operators are located in North Rhine-Westphalia because of its importance as a transit area between the Ruhr industrial region and the ports located in the Netherlands on the North Sea coast via the River Rhine. The asset acquired by the EPISO 3 fund is close to the A2 and A33 motorways serving Dortmund, Hannover and Osnabrück, while it also benefits from ease of access to national and regional railway services.

The park has planning consent for the development of an additional 38,600 m² of space. Alpha Industrial, a Cologne-based specialist developer and asset manager with which Tristan funds have worked in the past, will develop the site in phases throughout the hold period and make a significant co-investment.

EPISO 3 was advised by Mayer Brown, PriceWaterhouseCoopers and BNP Paribas on the transaction. Marktkauf Holding / CEV Handelsimmobilien has been advised legally by KPMG Law.

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About Tristan Capital Partners

Tristan Capital Partners is an employee-owned investment management boutique specialising in public and private market real estate investment strategies across the UK and Continental Europe. Tristan is the Portfolio Manager for Curzon Capital Partners III and for the private equity funds European Property Investors, LP, European Property Investors Special Opportunities, LP and European Property Investors Special Opportunities 3, LP. Its pan-European real estate funds include core-plus and value-added/opportunistic strategies with total assets under management of €5 Billion. Tristan's headquarters are in London and it has offices in Luxembourg, Milan, Paris, Stockholm, Dusseldorf, Barcelona and Warsaw.