

PRESS RELEASE

KINGSTONE Investment Management launches new sustainable residential real estate fund for institutional investors

- **Core fund with focus on residential properties and local convenience providers will invest primarily in modern urban quarters**
- **Access to property investment opportunities of at least EUR 180 already secured**
- **Total target fund size between EUR 350 and 400 million**
- **Property acquisitions screened using sustainability criteria established by a sustainability bank**

Munich, 03 December 2020 – KINGSTONE Investment Management (KINGSTONE IM) has launched an open real estate AIF for institutional investors (*Spezialfonds*) with a target size of between EUR 350 and 400 million in cooperation with INTREAL as Service KVG (regulated German fund management company). The KINGSTONE Wachstumsregionen Süddeutschland II fund (“KWS II”) will, as the fund’s name suggests, invest in growth regions throughout southern Germany, particularly in modern urban quarters. In selecting acquisition targets for the new fund, Munich-based KINGSTONE IM will, for the first time, be applying the sustainability criteria established by a sustainability bank. Real estate purchase will be screened against ecological, economic and social criteria. The factors include, for example, the energy and resource efficiency of the building as well as the quality of its location and immediate surroundings.

This new real estate fund from KINGSTONE IM will mainly focus on urban neighbourhoods which are largely residential and which offer good local conveniences such as food retailers. “Urban quarters are taking on important functions in modern urban societies, because they are able to serve a wide range of needs – daily provisions, short commutes, quality of life – through the mix of usage types,” explains Dr. Tim Schomberg, Managing Partner of KINGSTONE IM. “We prefer to invest in such quarters, or in individual properties in urban quarters, to generate income, which is reliable and sustainable, in every sense of the word.”

The core real estate fund is particularly aimed at financial institutions investing for their own accounts, foundations and pension funds. Institutional investors may subscribe to the fund

with an equity investment of EUR 3 million or more. KINGSTONE IM has already completed the first round of equity subscriptions totalling approx. EUR 80 million, and additional subscription intentions of some EUR 30 million have been submitted. On the investing side, KINGSTONE IM has already secured access to a real estate portfolio representing a total investment opportunity of at least EUR 180 million. “The successful closing of our first equity round in this sizable amount demonstrates the trust which our clients have in our company,” adds Dr. Schomberg. “With our sustainable residential property portfolio and the inclusion of local retailers and providers, we can offer our investors an attractive, resilient product even in the current market environment.”

In selecting acquisition targets for the fund, KINGSTONE IM is primarily concentrating on newly built properties, although acquisitions of existing buildings are also planned. “Thanks to our carefully chosen strategic partnerships and the decades of real estate investing experience of our founding shareholders, we have a superb network to draw from,” says Dr. Schomberg in explaining the fund’s property acquisition strategy. “This network ensures, most importantly, that we have access to forward deals for top-quality developments.”

With its choice of IntReal International Real Estate Kapitalverwaltungsgesellschaft mbH (INTREAL), KINGSTONE IM is relying upon an experienced specialist partner for fund administration. Currently, the renowned Hamburg service KVG with offices in Frankfurt and Luxembourg manages 186 funds with a total volume of EUR 35.7 billion. Michael Schneider, managing director of INTREAL, says: With KINGSTONE IM we were able to win an extremely qualified investment manager as fund partners. We are looking forward to our further cooperation".

Following on the success of the original KINGSTONE Wachstumsregionen Süddeutschland fund, KWS II marks yet another KINGSTONE IM real estate fund for institutional investors. The first fund was launched in 2019 with a total fund investment of some EUR 400 million. Meanwhile the 65 percent of the fund’s capital has already been placed.

KINGSTONE Investment Management

KINGSTONE Investment Management (KINGSTONE IM), founded by the Schomberg family, is an owner-managed real estate investment management boutique offering a broad range of investment products and a holistic investment approach for institutional German and international capital.

KINGSTONE IM unites a first-class real estate pipeline with the exceptional national and international capital and partner network of our senior management. We link the proven track record of our strategic co-shareholder PEGASUS Capital Partners as project developer and mezzanine specialist to multiple decades of experience in the international, institutional fund business of the Schomberg family and deliver this combination as a service to our clients.

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