



BPT HANSA LUX SICAV-SIF

QUARTERLY FUND REPORT Q4 2020

COMMENTARY

BPT Hansa SICAV-SIF is a direct real estate fund investing in commercial properties in Northern Germany, mainly Berlin. The fund is designed for institutional investors, German and international, and should be seen as a long-term investment product.

ACTIVITIES OVER THE QUARTER

During Q4 2020, the NAV decreased from EUR 152.50 (September 2020) to EUR 148.56. This decrease is due to the dividend payments in December 2020.

The average occupancy rate remains stable at 91.5%. New lease agreements were closed which will have an impact in Q1 2021 with lease starts within the upcoming quarter. The net rental income decreased slightly from EUR 563 thousand to EUR 544 thousand due to slightly higher property expenses in the last quarter.

The Fund's direct property yield (DPY) decreased from 6.0% to 5.8%.

The DPY in Bessemerstraße remained stable at 10.0% (Q3 2020: 10.1%). The DPY in Walsroder Straße increased from 5.8% to 6.5% due to higher rental income in Q4 2020. The DPY in Trachenbergring decreased from 4.0% to 3.3% due to higher property expenses.

During the last quarter, the annual valuations took place. Despite the current uncertainties on the market, both properties Trachenbergring (+0.9%) and Walsroder Straße (+3%) could achieve an increase in value. The property in Bessemerstraße was not evaluated again because it is already classified as "asset for sale" which makes a valuation obsolete. Consequently, the Fund's property value increased by EUR 480 thousand (+0.9%).

In both, Trachenbergring and Walsroder Straße, the team could successfully negotiate several lease agreements with either existing tenants (Trachenbergring) or new tenants (Walsroder Straße). The lease agreements will start during the upcoming quarter.

Fund performance

NAV per share (IFRS)	EUR 148.56
Latest dividend per share, EUR (paid out in 2020)	EUR 7.0
Total return since inception	105.3%
Return since inception annualised	5.7%

Portfolio

Number of properties	3
Average gross property value	EUR 18.1m
Occupancy ratio (quarter average)	91.5%

Fund facts

Fund inception (as of the first NAV)	January 2008
Expected exit	2023
Status	Closed-end
Total share capital	EUR 21.6m
Net asset value	EUR 32.0m
Gross property value	EUR 54.3m
Gross asset value (GAV)	EUR 59.0m
Total cash and cash equivalents	EUR 3.6m
Loans	EUR 21.3m
Loan to value	39.2%
Interest coverage	3.56

Top 3 holdings

Bessemerstrasse	Office	Berlin
Trachenbergring 93	Office	Berlin
Walsroder Strasse	Office	Hanover
Weight of total gross value		100%

Top 3 holdings based on gross property value.

Fees

Management fee	0.75% p.a. of GAV of the portfolio
Acquisition fee	0.3% of the total acquisition sum
Incentive fee	20% above a hurdle rate of 7% RoE
Subscription fee	max. 1.95% (depending on size)

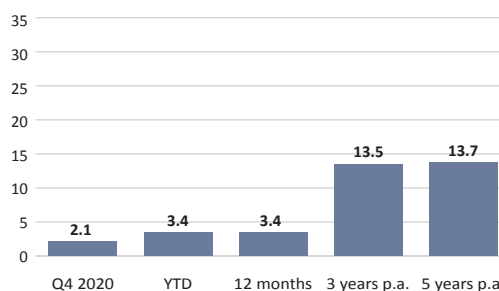
In the meantime, the building permission for the construction works at Bessemerstraße has been granted. Due to the long permission process, the closing of the disposal is now estimated to take place end of Q2 2021.

MARKET REVIEW

The lively activity on the German real estate investment market, which was already visible at the end of the third quarter, continued in the last quarter of 2020. According to JLL, the total investment volume in 2020 was with EUR 81.6 billion (incl. residential, student housing, healthcare etc.) only 11% below the previous year's figure. The transaction volume from October to December 2020 added up to EUR 23.2 billion and thus more than 28% of the annual result, but did not come close to the fourth quarter of the previous year or the opening quarter of 2020, both still unaffected by the pandemic. Together with the long-term low interest rates, the ongoing capital pressure is still the mainspring for real estate investments. In addition, numerous institutional investors have increased their respective real estate investments and this has generated additional demand. Portfolios in particular were in great demand, around EUR 37.6 billion were invested into portfolio deals or company takeovers, which is 7% more than in 2019. Risks are currently being avoided - the focus in relation to the segments is increasingly on crisis-resistant assets (residential, logistics, core offices, retail properties with grocery stores). In addition, there is an increased interest in alternative types of use such as data centres or healthcare properties. These are and however, they will remain niches and are not an option for all investors. The most favourable commercial asset class was again office with approx. EUR 24.5 billion investment volume. Followed by retail properties with EUR 10.4 billion (-5%). The winner of last year are clearly logistics with EUR 8.7 billion (+11% compared to 2019) which was even higher than during the record year 2017.

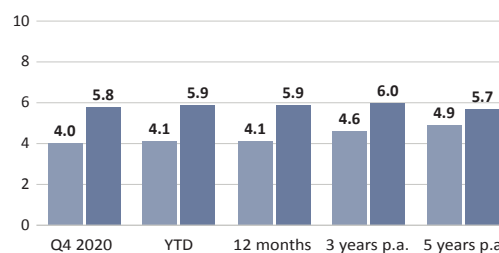
The inflation rate in December 2020 was -0.3%, which is a plus of 0.5% compared to November 2020. The unemployment rate was 5.9% in December 2020 – in December 2019, it was 5.0%.

Total Fund Return



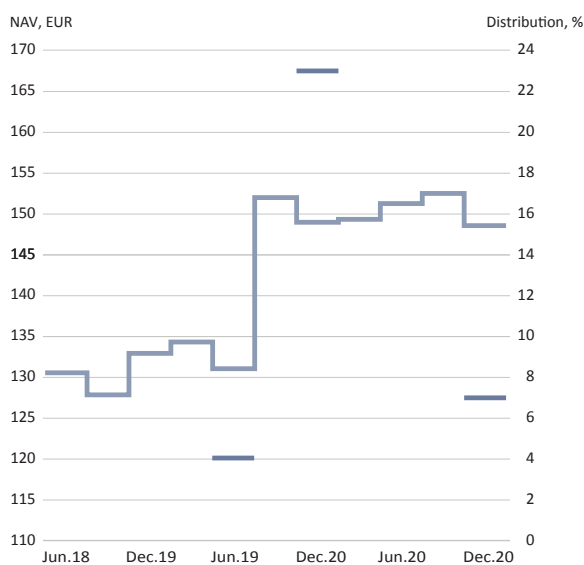
Total fund return is calculated as NAV-to-NAV taking into account distributed dividend and net capital invested for the year

Net initial yield (NIY) p.a. and direct property yield (DPY) p.a.



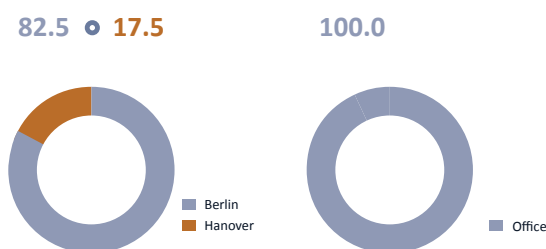
NIY (light blue) is calculated as the net operating income divided by gross property value annualized. DPY (dark blue) is calculated as the net operating income divided by the acquisition costs annualized.

Development in NAV per share



Development in NAV (light blue) is excluding reinvested dividends. Historical dividends (dark blue) will be shown at the time they reduced from the NAV per share.

Allocation in percent



Allocation is calculated based on gross property value.

FUND MANAGER



Sebastian Russ

Email: sebastian.russ@nh-cap.com

Direct tel: +49 171 5517870