



# BPT HANSA LUX SICAV-SIF

## QUARTERLY FUND REPORT Q1 2021

### 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 Q1 2021, the NAV remains almost stable; it slightly increased from audited EUR 148.18 (December 2020) to EUR 148.76. This increase is due to operating activities.

The average occupancy rate decreased by 4.3% to 87.2%. This decrease is due to an expiry of a lease agreement of a larger tenant at Trachenbergring as of 31.12.2020. The net rental income decreased from EUR 544 thousand to EUR 492 thousand due to lower NOI at Trachenbergring.

Subsequently, the Fund's direct property yield (DPY) decreased from 5.8% to 5.2%.

The DPY in Bessemerstraße increased from 10.0% to 10.6%. The DPY in Walsroder Straße slightly increased by 0.2% to 6.7%. The DPY in Trachenbergring further decreased to 1.8% due to lower NOI caused by the expiry of the above mentioned lease agreement.

For the property in Trachenbergring, the building permission has been received, which means that the action plan for the CapEX measures can be started. During the next quarter meetings will be held with the project partners to realize the implementation over the next months. We assume to realize most of the major measurements until Q1 2022.

In Walsroder Straße, the construction works for the tenant Region Hannover will start in Q2 2021 and we assume that the new tenant will move-in latest in July 2021.

The construction works at Bessemerstraße will start in April 2021. The tender processes with the main construction companies are closed. The current costs for the construction works are in line with the budget and the

### Fund performance

NAV per share (IFRS)	EUR 148.76
Latest dividend per share, EUR (paid out in Q4 2020)	EUR 7.0
Total return since inception	105.6%
Return since inception annualised	5.6%

### Portfolio

Number of properties	3
Average gross property value	EUR 18.1m
Occupancy ratio (quarter average)	87.2%

### 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 32.1m
Gross property value	EUR 54.3m
Gross asset value (GAV)	EUR 58.9m
Total cash and cash equivalents	EUR 3.5m
Loans	EUR 21.2m
Loan to value	39.0%
Interest coverage	3.12

### 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)

finalization of the works which is estimated for July 2021 is also still achievable. At that stage there are no major circumstances obvious which suggest otherwise.

## MARKET REVIEW

According to JLL, compared to the first quarter of 2020, when the market had yet to experience any effects of the pandemic, the result for the beginning of 2021 is a rather modest but, under the circumstances, still respectable €16.5 billion (including residential, student housing, healthcare etc). This comes as no surprise, although a 41% decline is of course a strong reaction to the crisis. However, a comparison with the previous three quarters and years is more relevant when assessing the market situation. And the recent quarterly transaction volume is in fact higher than the figures for the second and third quarters. Furthermore, according to JLL, only three of the last six years were listed when the investment market got off to a better start: 2020, 2018 and 2015. Still currently missing from the market are large-volume transactions as well as portfolios. Only ten transactions over €200 million were registered. In contrast, there was unusually strong momentum in the small and medium-size segment. In the case of portfolios, the year-on-year decline in the transaction volume was 62%, while single-asset transactions fell by only 7%.

The four largest and eight of the ten largest transactions in the quarter all related to sales of residential portfolios or nursing and retirement homes. Thus, it is not surprising that this segment generated over 45% of the quarterly result at just under €7.6 billion. Office properties follow at a considerable distance with a share of 24% (€3.9 billion). Retail properties accounts for 9% of the total volume. Logistic properties generated a slightly higher transaction volume of €1.7 billion compared to retail and accounted for a 10% market share. Finally, hotels achieved the best quarterly result since the strong start to 2020 at over half a billion euros. Sellers cannot complain of a lack of demand, but there is still currently a shortage of suitable products for interested buyers.

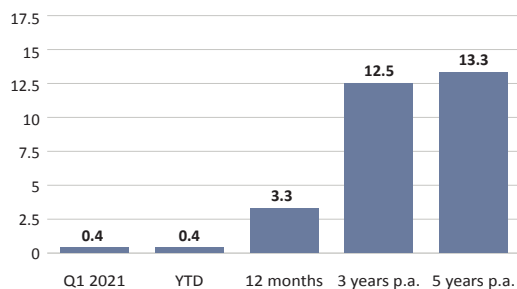
The inflation rate in March 2021 was +1.7%. Thus, the inflation rate was positive for the third month in a row after the end of the temporary reduction in VAT rates and has increased again (February 2021: +1.3%). The unemployment rate fell by 0.1% (compared to February 2021) to 6.2%. Compared to March last year, the number of unemployed has increased by 492,000.

## FUND MANAGER



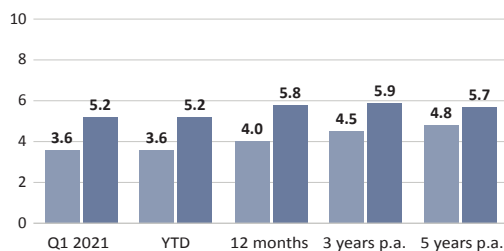
**Sebastian Russ**  
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## Total Fund Return



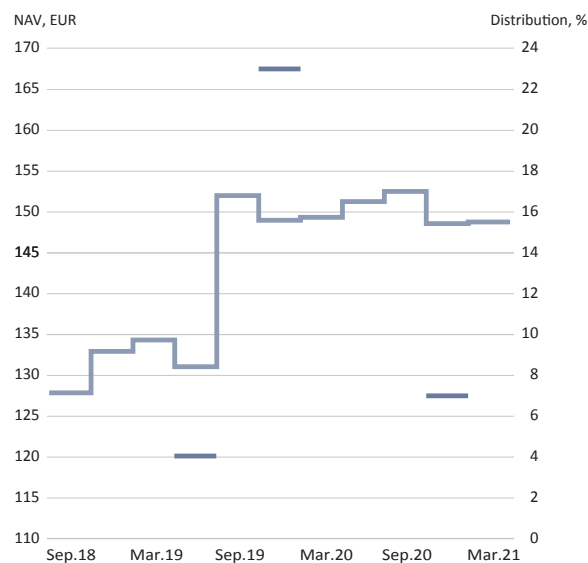
Total fund return is calculated as NAV-to-NAV taking into account distributed dividend and net capital invested for the year

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



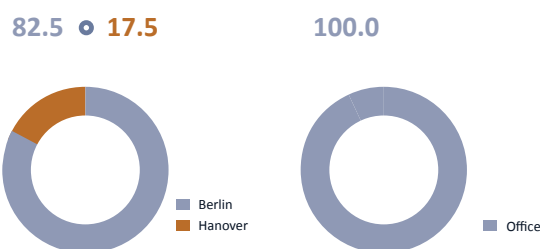
NIY (light blue) is calculated as the net operating income divided by gross property value annualized. DPY (dark blue) is calculated as the net operating income divided by the acquisition costs annualized.

## 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.