



BPT HANSA LUX SICAV-SIF

QUARTERLY FUND REPORT Q3 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 Q3 2021, the NAV remains almost stable with EUR 146.74 (June 2021: EUR 146.19).

The average occupancy rate slightly increased to 86.14%. This was caused due to the final move-in of tenant Region Hannover at Walsroder Straße. Nevertheless, the net operating income decreased from EUR 481 thousand to EUR 425 thousand, mainly due to expiries of leases at Bessemerstraße as well as rent free periods granted to tenants at Trachenbergring after renewal of contracts.

Subsequently, the Fund's direct property yield (DPY) decreased from 5.0% to 4.4%.

The DPY in Bessemerstraße decreased from 8.9% to 7.8% due to capex costs. The DPY in Walsroder Straße slightly increased from 6.2% to 6.3%. The DPY in Trachenbergring decreased from 2.6% to 1.9%.

At Trachenbergring, negotiations with an interested party for the ground floor started in Q3. The tenant is willing to rent the total space of approx. 700 sq.m. A final closing of the agreement is anticipated for end of Q4 2021. Further, the tenant fit-out works for the tenant Schindler are about to start.

In Walsroder Straße, negotiations with the largest tenant Bosch are still ongoing. The Fund Manager is optimistic that a solution will be found, which will have a positive impact for the value of the building.

The final closing of Bessemerstraße is anticipated for end of October 2021. The fire protection surveyor approved the use of the staircase in the beginning of September.

Fund performance

NAV per share (IFRS)	EUR 146.74
Latest dividend per share, EUR (paid out in Q2 2021)	EUR 6.0
Total return since inception	111.3%
Return since inception annualised	5.7%

Portfolio

Number of properties	3
Average gross property value	EUR 18.2m
Occupancy ratio (quarter average)	86.1%

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 31.6m
Gross property value	EUR 54.5m
Gross asset value (GAV)	EUR 57.4m
Total cash and cash equivalents	EUR 1.1m
Loans	EUR 21.0m
Loan to value	38.6%
Interest coverage	3.05

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)

Anyhow, there are still outstanding measures which need to be solved. In any case a further amendment to the SPA is necessary to solve and clear the obligations for both parties. After the final closing, the Fund Manager will inform all investors with a separate note.

MARKET REVIEW

According to JLL, the commercial transaction volume for the nine months from January to September totaled EUR 60.8 billion. This is equivalent to an increase of 5% compared to 2020. The third quarter alone contributed almost EUR 27 billion and 44% to the annual result to date. Several high-priced individual transactions with the two Frankfurt office buildings T1 (EUR 1.4 billion) and Skyper (EUR 550 million) contributed to this dynamic. In total, the volume of individual deals exceeded that of the previous year by a remarkable amount of 29%. On the other hand, larger portfolio deals are still missed in the market and that applies to all types of commercial use. Anyhow, this may not apply to residential. The sale of Akelius' residential portfolio to Heimstaden with a total of over 17,600 residential units in Berlin and Hamburg clearly stands out here. Regardless of the political debates surrounding the issue of housing, this asset class remains investor's darling. Over EUR 23 billion have been invested in German residential complexes, micro-apartments, nursing homes and student homes. At a larger gap than in the first half of the year, office properties follow with a share of 27% (EUR 16.4 billion). At least 35 transactions with more than EUR 100 million each are in the statistics, only slightly fewer than in 2020, but higher in volume than in the previous year: EUR 9 billion compared to EUR 8.2 billion. EUR 6.4 billion - that is the record volume that has been invested in German logistics real estate. The dynamic has accelerated again in the last three months and between July and September alone properties worth EUR 2.6 billion were sold. With a volume of EUR 5.9 billion retail follows as number four (10% share). The share of the seven A-cities in the total German transaction volume is almost 60%. The transaction volume in Berlin rose particularly significantly by 91% to currently EUR 15.6 billion.

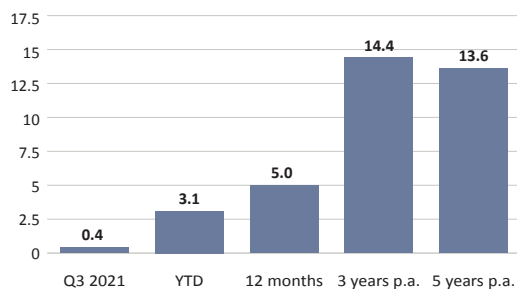
The inflation rate in June 2021 was +4.1%. The last time there was a higher inflation rate was in August 1993 with +4.6%. The unemployment rate fell by 0.2% (compared to previous month) to 5.4% and was 0.8% lower than September 2020.

FUND MANAGER



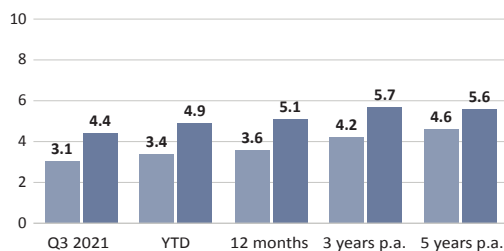
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Total Fund Return



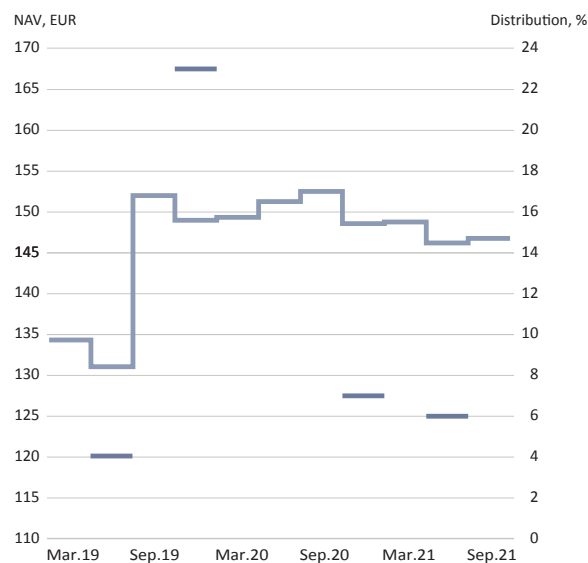
Total fund return is calculated as NAV-to-NAV taking into account distributed dividend and net capital invested for the year

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



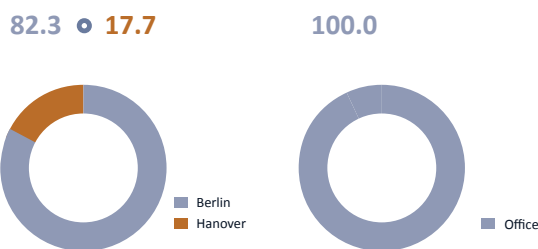
NIY (light blue) is calculated as the net operating income divided by gross property value annualized. DPY (dark blue) is calculated as the net operating income divided by the acquisition costs annualized.

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.