



PRESS RELEASE

Successful market entry: Noratis acquires 358 units in Bavaria

- Around 200 units in the Rhine-Main metropolitan region, almost 160 in Upper Palatinate
- Further growth planned: Merz Real Estate now holds around 35 percent in Noratis after the completion of the capital increase

Eschborn, 29 May 2020 – Noratis AG (ISIN: DE000A2E4MK4, WKN: A2E4MK, “Noratis“) reports its fourth acquisition in this year by buying a total of 358 units in Bavaria. Accordingly, the company has already purchased almost 600 residential units since the beginning of the year.

The properties with an overall rental space of around 22,200 m² are located at several attractive sites. The majority, with 197 units, is situated in the Rhine-Main metropolitan region, in Erlenbach am Main, south of Aschaffenburg. Another 161 units are located close to Regensburg in Upper Palatinate – in Schwandorf, Roding and Burglengenfeld to be precise. All locations experienced positive demographic trends during the past years and all properties have a good downtown access.

As a leading portfolio developer of residential properties in Germany, Noratis intends to considerably upgrade the properties with the objective of significantly improving their residential quality. To this end, the existing maintenance backlog is to be successively reduced. Through the increase in attractiveness of the apartments Noratis also wants to decrease the current vacancy rate of around 9 percent.

During the past months Noratis has already been able to report acquisitions in Emden, Leipzig, Halle (Saale) and Rüsselsheim. With the planned further growth in view, the company has recently registered an inflow of around EUR 5 million from its capital increase (cf. ad hoc release of 20 March 2020). The newly issued 252,525 shares have been completely subscribed by the major shareholder Merz Real Estate at EUR 19.80 per share. This has increased its shareholding in Noratis to around 35 %. The capital increase is part of the investor and fixed subscription agreement through which Merz Real Estate has undertaken to invest a total of up to EUR 50 million in Noratis AG through capital measures until the end of fiscal 2024.

Flaminia zu Salm-Salm, Head of Transaction Management at Noratis AG: “We focus on attractive secondary locations and properties in need of modernisation. The real estate package in Bavaria, therefore, fits perfectly into our portfolio. The acquisition is not only the successful market entry in Bavaria but at the same time the consistent continuation of our growth course. For the remainder of the year we plan further acquisitions throughout Germany.”



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About Noratis:

Noratis AG (www.noratis.de) is a leading portfolio developer of residential properties in Germany. The company identifies and realizes potentials for tenants, owner-occupiers & investors, thereby creating and preserving attractive and at the same time affordable living space throughout Germany. Noratis specializes in the upgrading of ageing residential portfolios, mostly company-owned apartments, residential areas or housing estates in cities with more than 10,000 inhabitants and in peripheral areas of conurbations. After a successful development, the properties remain in the company's portfolio or are sold in the medium term to investors and/or individually to existing tenants, capital investors and owner-occupiers. In this way, Noratis creates a noticeable and sustainable added value for all stakeholders: from investors, employees and financing partners to current and future tenants. Noratis AG is listed on the Frankfurt Stock Exchange.

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