

Ansbach: DEMIRE sells office complex for approximately EUR 18 million

- **Sale proceeds exceed latest valuations, value added through successful asset management**
- **DEMIRE completes repositioning of former Telekom building**
- **Ansbach University of Applied Sciences and Mittelfranken District are strong anchor tenants**

Langen / Ansbach, 05.05.2021: DEMIRE Deutsche Mittelstand Real Estate AG (ISIN: DE000A0XFSF0) has sold an office complex in Ansbach, Bavaria, for approximately EUR 18 million. The former Telekom property in Ansbach was acquired in October 2015. The former single-tenant left the property at the end of 2019. DEMIRE was able to increase the value of the property by around EUR 5 million through successful asset management and comprehensive repositioning in 2020 and 2021.

The property at Bayreuther Straße 111 and Rettistraße 56 has a plot size of 29,650 sqm. Built in 1988, the property has a total lettable space of around 12,600 sqm and 200 car parking slots. After the Telekom moved out, the Ansbach University of Applied Sciences and the district of Mittelfranken have been acquired as long-term anchor tenants with a total of around 6,000 sqm of rental space. DEMIRE took over the leases of former subtenants, which use a further 5,000 sqm, and optimised them particularly with regard to rental income and lease maturity. The current annual rental income amounts to around EUR 1.0 million and the WALT is 5.2 years.

The city of Ansbach with its 40,000 inhabitants is part of the Nuremberg-Erlangen metropolitan region and is well connected to the German motorway network. The property has a direct connection to local public transport and the nearby city centre.

Ingo Hartlief, CEO of DEMIRE, explains: "Through our active asset management and the successful repositioning of the office complex in Ansbach, we were able to achieve a reduction in risk as well as an increase in value of around EUR 5 million. With the new tenant structure with two long-term anchor tenants from the public sector, we successfully conclude our REALize-Potential approach in Ansbach through the sale."

About DEMIRE Deutsche Mittelstand Real Estate AG

DEMIRE – REALize Potential

DEMIRE Deutsche Mittelstand Real Estate AG acquires and holds commercial real estate in mid-sized cities and up-and-coming locations bordering metropolitan areas across Germany. The Company's particular strength lies in realising the potential of the properties at these locations while focusing on a range of properties that appeals to both regional and international tenants. As of 31 December 2020, DEMIRE's portfolio contains 75 assets with lettable space totalling about 1 million sqm and has a market value in excess of EUR 1.4 billion.

The portfolio's focus on office properties with a blend of retail, hotel and logistics properties results in a return / risk structure that is appropriate for the commercial real estate segment. The Company places importance on long-term contracts with solvent tenants and the realisation of the properties' potential. DEMIRE anticipates continued stable and sustainable rental income along with solid value appreciation and expects the portfolio to grow significantly in the medium term. As it expands its portfolio, DEMIRE is concentrating on FFO-strong assets with potential and, at the same time, disposing of properties that are not in line with its strategy. DEMIRE is taking several steps to further the development of its operations and processes. Next to cost consciousness, the operating performance is set to improve through an active asset and portfolio management approach.

DEMIRE Deutsche Mittelstand Real Estate AG shares are listed in the Regulated Market (Prime Standard segment) of the Frankfurt Stock Exchange.

Contact:

Michael Tegeder
Head of Investor Relations & Corporate Finance
DEMIRE Deutsche Mittelstand Real Estate AG
Fon: + 49 6103 3724944
Email: tegeder@demire.ag