

## **Velero refinances residential real estate portfolio to enable further investments**

- Refinancing through EUR 377 million senior loan from Société Générale
- Transaction enables expansion of portfolio and further investment in the quality of portfolio properties and their energy performance

Berlin, 11.10.2021 - KKR, a leading global investment firm, and Velero Immobilien GmbH (“Velero”), a KKR portfolio company, today announced that Velero has refinanced its entire German residential real estate portfolio, paving the way for a significant expansion of the portfolio.

The EUR 377 million refinancing was provided as a senior loan by Société Générale and has a maximum maturity of six years. All existing loans were repaid, resulting in a significant reduction in financing costs. Velero intends to use the additional funds from the new financing to make operational investments in its existing real estate portfolio, increase their attractiveness and improve energy performance.

Velero is a fully integrated residential real estate platform that manages a portfolio of around 7,500 residential units with a total rental area of approximately 450,000m<sup>2</sup>. The properties are mainly located in medium-sized cities in North Rhine-Westphalia, Saxony-Anhalt, Saxony and Brandenburg. KKR acquired a majority stake in Velero Immobilien GmbH at the end of 2020.

Jan Baumgart, Head of Real Estate in Germany at KKR, commented: “This refinancing will help unlock additional growth opportunities for Velero and we are already in the process of securing attractive add-on opportunities.”

Sascha Giest, Co-CEO at Velero, added: “We have deep expertise in repositioning residential portfolios with the potential for optimization, and this refinancing provides us additional financial headroom to accelerate our investments in the quality of our portfolio and increase the quality of living for our tenants.”

FAP Finance lead the process and advised KKR and Velero on the structuring of the financing.



### **About Velero**

Founded in 2015 under the name Velero Wohnen GmbH and headquartered in Berlin, Germany, Velero together with Velero affiliates has developed into an established and growing full-service provider for residential real estate covering the entire property life cycle for third parties, focusing on attractive German B-locations. At the end of 2020, KKR acquired a majority stake in Velero. Part of the transaction was also the acquisition of a 7,500-unit residential portfolio that Velero had already built and managed since 2015.

### **About KKR**

KKR is a leading global investment firm that offers alternative asset management and capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of The Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at [www.kkr.com](http://www.kkr.com) and on Twitter @KKR\_Co.

### **Media Contacts**

#### **Velero**

Feldhoff & Cie. GmbH  
Anke Sostmann  
Executive Director  
Phone: +49 69 26 48 677 – 14  
Mobile: +49 159 04 02 85 05  
E-mail: [as@feldhoff-cie.de](mailto:as@feldhoff-cie.de)

#### **KKR Germany**

Finsbury Glover Hering  
Thea Bichmann  
Mobile: +49 172 13 99 761  
Email: [thea.bichmann@fgh.com](mailto:thea.bichmann@fgh.com)

Emily Lagemann  
Mobile: +49 160 992 713 35  
Email: [emily.lagemann@fgh.com](mailto:emily.lagemann@fgh.com)