



## UBM sells F.A.Z. Tower for nearly €200m to HanseMerkur

Vienna, 23 November 2020 – More than one and a half years before completion, HanseMerkur Grundvermögen AG has secured the new headquarters for the Frankfurter Allgemeine Zeitung (F.A.Z.), one of the most prestigious office projects currently under construction in Frankfurt am Main, for one of its investment vehicles. The purchase price amounts to €196m. The F.A.Z. Tower will be realised by UBM Development (75%) together with the PAULUS Immobiliengruppe (25%) and is scheduled for completion in 2022.

“The F.A.Z. Tower proves that the demand for first-class office buildings in major European cities is unbroken despite the pandemic“, comments Thomas G. Winkler, CEO of UBM Development AG, on the sale. In the current challenging market environment, the risk appetite of investors is declining – their focus has shifted more to prime locations and partners with top credit standings. This project offers the perfect mix from an investor’s viewpoint: a well-known developer with strong financials and a long-standing track record and a 15-year lease with a top quality tenant at an excellent location.

Lutz Wiemer, Deputy CEO of HanseMerkur Grundvermögen AG: “The last few months, in particular, have shown the importance of personal presence, spontaneous communications and direct contacts in a team. We are therefore convinced: Modern office buildings at established, very good locations are, and will remain, a good investment. The F.A.Z. headquarters is therefore an excellent match for our investment strategy in many respects.“

### Frankfurt’s first timber construction office building right next door

UBM’s future plans include the further substantial expansion of the office pipeline. The first timber-construction office building in Frankfurt with roughly 17,500 m<sup>2</sup> of above-ground gross floor space and eight floors is currently under construction directly next to the F.A.Z. Tower. This “new type“ office also reflects, in every respect, UBM’s new strategic orientation “**green. smart. and more**“. “Part of our reinvention is a radical transformation to green building and smart office. We don’t only talk about this, we really do it“, adds Thomas G. Winkler in conclusion.

### New landmark in Frankfurt’s skyline

After Zalando and Scout24, the F.A.Z. Tower represents UBM’s third headquarters development for a well-known Germany corporation within a very short time. The new F.A.Z. headquarters will rise to a height of over 60 metres. The office building consists of two slim cubes which turn against their own axis in the form of a double “H”. This project has a great deal to offer, not only from a commercial, but also from an architectonic viewpoint.

### Further details on the F.A.Z. Tower project

The F.A.Z Tower was fully rented to Frankfurter Allgemeine Zeitung at the start of construction. The offices cover 18 stories on 27,300 m<sup>2</sup> of above-ground gross floor space. The Europaviertel includes excellent infrastructure and is located directly next to the Frankfurt Trade Fair. The underground is within walking distance and will be expanded by 2024 to include the “Europagarten“ station on Line 5. The festive cornerstone ceremony in September included, among others, Hessian State Minister President Volker Bouffier and Frankfurt’s Lord Mayor Peter Feldmann. The F.A.Z. Tower is scheduled for completion in the third quarter of 2022.

**Effects of the sale on UBM:**

Timing of effect (expected)	Q4 2020 – Q3 2022 (percentage of completion)
Sale proceeds	€196m
Effect on Total Output	€147m (75%)
Effect on revenue	None (at-equity)

**UBM Development** creates real estate for Europe's top cities. The strategic focus is on green building and smart office in major European metropolitan areas like Vienna, Berlin, Munich or Prague. With over 145 years of history, UBM is a one-stop provider for the entire development value chain from initial planning all the way to marketing. The company's shares are listed in the Prime Market of the Vienna Stock Exchange, the segment with the highest transparency requirements.

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