

Fair Value REIT-AG sells two properties in North Rhine-Westphalia and Schleswig-Holstein for a profit

Munich, 21 March 2016 – Fair Value REIT-AG (ISIN DE000A0MW975) is systematically pursuing its portfolio streamlining policy and has sold two properties it no longer considered part of its core portfolio in Radevormwald, North Rhine-Westphalia, and in Tornesch, Schleswig-Holstein, for a profit.

The property in Radevormwald is a nursing home owned by the subsidiary BBV Immobilien-Fonds Nr. 8 GmbH & Co. KG, in which Fair Value REIT-AG had obtained a majority shareholding mid-2015 using funds obtained from the capital increase that was performed in May 2015. The property was acquired by an institutional investor focusing on nursing homes in Germany. At EUR 11.1 million, the sales price was 12% above the carrying amount at the time that the investment was acquired. The transfer of title, risks and rewards for the property has been agreed for the beginning of April 2016.

The property in Tornesch is a bank branch of Sparkasse Südholstein which was acquired by a local entrepreneur. At EUR 0.65 million, the sales price was 10% above the carrying amount as of 31 December 2014. Title, risks and rewards were transferred following payment of the purchase price on 17 March 2016.

Frank Schaich, CEO of Fair Value REIT-AG, commented on the transactions: “We acquired the property in Radevormwald through the acquisition of the investment in July 2015 as part of a property portfolio that also includes two shopping centres. As this property – as well as the one in Tornesch – is not part of our core portfolio, we sold them for a significant profit. We are delighted with this successful sale and the value it created. The sale proceeds for the two properties increase our headroom for further investments in commercial property at secondary locations in Germany as well as investment properties.”

Fair Value REIT-AG will publish its results for fiscal year 2015 on 23 March 2016 at www.fvreit.de in the Financial Reports section.

Contact

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Additional information on the properties sold:

Location	Address	Rentable space	Sales price
Radevormwald	Uelfestrasse 24	7,966 m ²	EUR 11,100,000
Tornesch	Willy-Meyer-Str. 3-5	657 m ²	EUR 650,000

Company profile

Fair Value REIT-AG, based in Munich, focuses on retail and office properties in German secondary locations as well as on real estate holdings with a special emphasis on closed end funds.

As of 30 September 2015, Fair Value's total portfolio of 44 properties had a market value of EUR 305.6 million. This portfolio had an occupancy rate of 91.8% of potential rent on full occupancy of EUR 27.4 million per year. As of 30 September 2015 the weighted remaining term of the leases was 4.6 years. Around 57% of the potential rent relates to retail space, 33% to office space and 10% to other types of use.