

Press release

GARBE acquires GRR Real Estate, expanding management platform for food-anchored retail real estate by EUR 2 billion

- GARBE Institutional Capital acquires operating company GRR Real Estate Management GmbH from GRR AG along with more than 80 team members
- Platform for retail investment focusing on supermarkets and neighbourhood retail parks with approx. 500 managed assets
- GRR Real Estate will remain an independent company and brand within GARBE

Hamburg / Nuremberg, 21 November 2023 – GARBE acquires GRR Real Estate, one of Germany’s leading specialised investment platforms in the food-anchored retail real estate segment. The transaction creates a market-leading position in supermarkets and other essential retail real estate, especially food-anchored retail parks. GARBE Institutional Capital is taking over GRR Real Estate Management with more than 80 team members and a portfolio of approx. 500 managed assets. Through this transaction, the GARBE platform will grow the assets under management (AuM) for institutional funds and mandates by approx. two billion euros. The 52 on-balance-sheet properties held by GRR will be acquired by GARBE Institutional Capital on behalf of an institutional fund. The business will continue to operate as an independent company within GARBE under the established GRR brand. The transaction agreement was formally signed yesterday. The parties have agreed not to disclose the purchase price.

Christopher Garbe, Managing Partner of GARBE, explains: “With the acquisition of GRR, we are taking another key strategic step towards establishing our leading and vertically integrated platform based upon a 360-degree management approach. As an active real estate manager, we are expanding our organisation’s resources and expertise into the retail real estate segment, spanning the entire value chain all the way to the end customer. By doing this, we will create significant added value not only for our investors but also for our tenants. The food retail sector fulfils a systemically important role in Germany and throughout Europe. It is highly attractive due to its stable tenant structure, which is why it has already been a strategic focus for GARBE in recent years. GRR is a recognised leader in this market segment, where it has built an excellent reputation. In addition, GRR’s fully integrated organisation with capabilities and service offerings ranging from portfolio level to property and project management fits perfectly with GARBE’s entrepreneurial philosophy. GRR’s proven expertise in implementing ESG measures and in renovating existing properties make it an ideal partner. The management and the entire team at GRR have delivered superb performance in the past years and we look forward to shaping the future together with our new colleagues.”

Andreas Freier and Martin Führlein, members of the Executive Board of GRR AG, add: “By bringing GRR Real Estate Management into the GARBE family of companies, we are setting the course for strong future growth. As an owner-managed company, GARBE fits ideally with our own business philosophy. In recent years, we have steadily expanded our market position as one of the leading players in the food-anchored retail segment and successfully launched five of our own open-ended AIFs for institutional investors. With our sustainability strategy, we have successfully begun the ESG transition. At the same time, we are driving forward the sustainable development of our portfolio. By combining

our operational business with GARBE, we are now taking the next step with the shared goal of market and innovation leadership within the German retail property segment.”

GRR Real Estate Management GmbH was founded in 2006 as an operating subsidiary of GRR AG. In 2009, a group of institutional investors from the insurance industry invested in GRR AG by way of Provinzial Asset Management, thereby accelerating GRR on its path to becoming one of Germany’s leading investment and asset managers specialising in food-anchored retail real estate.

Within the GARBE group of companies, GARBE Institutional Capital focuses on asset classes beyond logistics. The company is active in food-anchored retail as well as the residential and science & technology real estate sectors. The launch of the ENGA retail property fund back in 2020 laid the foundation for a platform for local retail properties, which is now being expanded into a significant market player through the integration of GRR Real Estate Management. This will create one of the largest players in Germany, with more than a million square meters of rental space and will be managed as an independent company within the area of responsibility of Thomas Kallenbrunnen, Managing Director of GARBE Institutional Capital.

The transaction, which is subject to approval by antitrust authorities, is expected to close shortly. GARBE was advised by Greenberg Traurig (legal), Gleeds Deutschland (technical) and HLB Stückmann (financial and tax). The seller was advised by Rödl & Partner.

About GARBE Institutional Capital

GARBE Institutional Capital GmbH is a business unit of GARBE, a German-headquartered entrepreneurial real estate investment management and development business with a combined staff of approx. 500 professionals across 16 offices in 11 countries. The group manages approx. EUR 13 billion of assets.

GARBE Institutional Capital is a vertically integrated investment manager and real estate developer investing in established and emerging markets throughout Europe. It strives to build mutually beneficial bridges between institutional investors and actively managed real estate assets. To maximise long-term value creation, the company takes an entrepreneurial approach to asset management and to its many development and revitalisation initiatives. The firm offers its institutional partners access to superior investment opportunities including regulated real estate funds, club deals and separate accounts.

GARBE Institutional Capital has local expert teams in Hamburg, Frankfurt, Amsterdam, Milan, Prague, London and Madrid.

For more information about GARBE Institutional Capital, visit www.garbe-institutional.de.

About GRR Group

GRR Group is a group of companies specialising in retail real estate in Germany with a focus on investment and asset management. The company is headquartered in Nuremberg with a staff of more than 80. GRR Group currently manages some 500 properties on behalf of its investor clients with total rental space of some 1,000,000 sq.m. and a combined portfolio value of approx. two billion euros.

For more information about GRR Group, visit www.grr-group.de.

About ProAM

Provinzial Asset Management GmbH (ProAM) is part of the Provinzial Group and has offices in Münster and Düsseldorf. It manages the Provinzial Group's investments with a volume of around 50 billion Euro and develops portfolio solutions in line with customer requirements. To this end, it makes use of a broad spectrum of asset classes in both the liquid and illiquid areas. It also offers its services prospectively outside the Group. The focus is particularly on economically, commercially and regulatory balanced portfolios for the current market environment.

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