

Real Blue acquires integrated residential and nursing home for its specialized alternative investment fund (AIF) *Real Blue Senior Living*

Stuttgart, Germany, March 28, 2022. In a forward deal, Real Blue Kapitalverwaltungs-GmbH, the asset management company of the Drees & Sommer Group, has acquired an integrated residential and nursing home in the Ebingen district of Albstadt, Germany, for its open-ended specialized AIF *Real Blue Senior Living*. Seller of the property is a project company of Stuttgart-based KIAG Group.

In total around 5,000 square meters of residential space and service areas is being built. The buildings are being constructed in line with the German development bank KfW's energy efficiency standard 55 EE. Construction work has already begun, and the buildings are expected to be completed in the third quarter of 2023. The buildings will have a forward-looking, environmentally-friendly heat supply that uses wood pellet boilers and peak load condensing gas boilers. A photovoltaic system is being installed on the roof, primarily for the operator's own use. When completed, the buildings, which are designed with accessibility in mind, will have a total of 45 in-patient places, 20 day-care places, 7 retirement apartments and 16 assisted living units.

The transaction is the first seed investment in an acquisition pipeline for the recently launched open-ended specialized institutional investment fund *Real Blue Senior Living*. Further purchases will follow. The investment fund has already received capital commitments in the three-digit million euro range from institutional investors and pursues an investment strategy that complies with Article 8 of the EU Sustainable Finance Disclosure Regulation.

'The innovative overall concept of the project is exactly in line with the ecological as well as the social requirements of the *Real Blue Senior Living* fund's investment strategy,' explained Michael Eisenmann, investment fund manager in charge of the specialized AIF and Managing Director of the Real Blue asset management company.

'With our sustainability expertise, we were able to work with the KIAG Group – the developer of the project – to substantially improve the ESG performance of the project in comparison with the starting point, using additional intelligent measures in the ongoing purchasing process. This had additional positive impacts, especially in relation to energy and the carbon footprint of the buildings,' said Professor Dr. Robert Göötz, Managing Director with responsibility for risk management at Real Blue.

'This will ultimately increase the asset's intrinsic value and value stability. As a location, the city of Albstadt has robust structural indicators and the demographics are favorable for the utilization plan

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in relation to the location. There is already excess demand for both assisted living and in-patient care, which is not expected to be resolved in the foreseeable future. The project in Albstadt is an excellent foundation for the further expansion of our investment fund's portfolio,' explained Michael Eisenmann.

Real Blue is the Drees & Sommer Group's asset management company. It combines the Group's real estate and sustainability expertise with proven capital market expertise in the creation and development of real estate and investment strategies. As an asset manager for real estate investments and other alternative assets, Real Blue concentrates exclusively on business with institutional clients and investors. The company focuses on the development and management of customized sustainable investment strategies. For its institutional clients, Real Blue designs, develops and manages open-ended and closed-ended specialized investment funds in line with the German Investment Code (*Kapitalanlagegesetzbuch – KAGB*) in addition to other comparable investment structures, focusing on investments in real estate and related areas.

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