



# Catella launches “Catella Modernes Wohnen” open-ended mutual real estate fund for small-scale, affordable living

The team of Catella Real Estate AG has launched “Catella Modernes Wohnen” - an open-ended mutual real estate fund. The fund invests in small-scale, and thus affordable, accommodation with a focus on one and two person households in German conurbations.

Over 75% of households in Germany are one and two person households, but one room apartments account for only 3% of Germany’s housing stock; if 2-3-room apartments are included, the share is 30%. The average residential unit size of 95 m<sup>2</sup> realised in new construction is not in line with demand. The new fund will invest in small-scale and therefore affordable housing development that meets demand. In addition to students, the target group also includes the huge group of commuters, young professionals and above all senior citizens.

“We are talking about approximately 10-12 million households looking for affordable housing in urban areas. That doesn’t work on 80-100 m<sup>2</sup>, but has to be realised on 20-50 m<sup>2</sup> to keep overall rents at reasonable levels. Catella Modernes Wohnen aims to provide affordable living space to the largest group of users of residential accommodation – Germany’s rising number of one- and two-person households.” says Michael Keune, Portfolio Manager at Catella.

The fund has made its first investment of EUR 25 million in an apartment building in Mainz, situated within walking of the city's main railway station. Scheduled for completion in September, the property has 77 single and 65 double apartments. The building is part of a micro-living complex with additional services and student apartments also acquired by Catella managed funds. In total, Catella has thus invested in around 900 apartments for students, young professionals and commuters at the Mombacher Strasse location in Mainz.

Further projects for micro living, student accommodation, housing for senior citizens and temporary accommodation (boarding houses) are already in the due diligence phase. The fund's target volume is around EUR 500 million, with an overall target return based on the BVI method of 3.5-4.5% p.a.

Catella Real Estate AG is the investment management company of Catella AB, with 600 employees in 13 countries across Europe. Catella Real Estate AG has 70 employees and manages 19 open-ended and special funds with 3.2 billion EUR assets under management.

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Catella is a leading specialist in property investments, fund management and banking, with operations in 13 European countries. The group has sales of approximately SEK 2 billion and manages assets of approximately SEK 150 billion. Catella is listed on Nasdaq Stockholm in the Mid Cap segment. Read more at [catella.com](http://catella.com).

# PRESS RELEASE

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