



Catella Residential Investment Management acquires residential project developments in Nuremberg and Stuttgart

Berlin-based investment manager Catella Residential Investment Management GmbH (CRIM), focused exclusively on the residential asset class, has acquired two residential project developments in Nuremberg and Stuttgart for an investment fund of a southern German utility. The transactions are priced at around EUR 23.6 million in total.

The fund is managed by Institutional Investment Partners 2IP. CRIM will be responsible for managing the fund's residential portfolio, which has been designed for a utility in southern Germany.

“Both project developments are already recording strong demand, because they are being built in the exact market segment for which there is fierce competition at present – small to medium-sized residential units. These types of properties are especially sought after in premium markets, where they are in extremely short supply. Both acquisitions have thus provided a long-term, stable investment opportunity for our clients”, says Matthias Bursi, Deputy Fund Manager at Catella.

Nuremberg – centrally located, yet surrounded by greenery

This project development, located in the Mögeldorf district of Nuremberg, will offer leasable space of around 2,606 m². The building will house 25 residential units and one commercial unit and an underground car park with 30 spaces. The flats vary in size from 51 to 108 m². The seller is Kommunale Entwicklungs- und Wohnungsbaugesellschaft mbH (KEWOG), which is on schedule to complete the building by the end of this year.

The Mögeldorf district in the east of the city is a classic residential neighbourhood of villas and single-family homes. Proximity to the Pegnitzauen country park is a major benefit to the development. The purchase price is EUR 9.9 million.

Stuttgart – potential tenants in the immediate vicinity

The property acquired in Stuttgart-Feuerbach, in the northern part of the city, is a seven-storey block of flats containing a total of 124 microflats and with its own underground car park with 13 spaces. The flats, which measure between 18 and 23 m², are expected to be handed over in September 2018 to a non-profit operator, a subsidiary of the Stuttgart Caritas Association. The operator has signed a 15-year lease for the property.

The Feuerbach district is about 5 km away from the Stuttgart city centre, with convenient access by underground and suburban rail services. There are numerous office and commercial properties in the vicinity, which are occupied by companies such as Bosch, whose employees could be potential tenants. The purchase price is around EUR 13.7 million.

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