

Commerz Real and Wertgrund acquire “Königshöfe” in Dresden for Hausinvest

- **Construction project with 191 apartments and 266 underground car parking spaces**
- **Completion scheduled for 2022 at the latest**
- **Wertgrund assumes responsibility for leasing and property management**

Commerz Real and Wertgrund Immobilien have acquired “Königshöfe” in Dresden from the project developer CG Gruppe for approx. 70 million euros. The construction project in Dresden’s ‘Inner New City’ with 191 apartments is scheduled to begin in the fourth quarter of 2019 and become part of the portfolio of the Commerz Real open-ended real estate fund Hausinvest following completion by 2022 at the latest. Wertgrund has accompanied the transaction and will assume responsibility for the leasing and property management. The acquisition was structured as a forward funding agreement. This means that the fund initially bought the plot of land with a development obligation and then pays for the property in instalments depending on construction progress. After Commerz Real and Wertgrund had only recently acquired their first residential complex in Darmstadt, this is now the second purchase in the framework of a partnership that was launched two months ago.

Located at Palaisplatz between Theresienstrasse and Wallgässchen, the “Königshöfe” project is being constructed on the final major vacant site in Dresden’s baroque district. The project is being built right next to the Palatium, a listed building with 95 condominiums that is currently being renovated. Both Dresden-Neustadt railway station and Dresden’s historic centre with the Church of Our Lady and the Semper Opera House are within easy walking distance. “Königshöfe” has a net dwelling area of approx. 14,700 square metres with 266 underground car parking spaces and will be supplemented by a commercial area encompassing 54 square metres. Insofar as pending supplementary planning permission is granted, there will be an additional apartment and a further commercial area. 189 of the 191 one- to five-room apartments will have patios, balconies, loggia or roof gardens. All the apartments will have a high-quality fit-out, and the stairwells and outdoor areas will have an artistic design. The façade will fit in with the architecture of the historic environs.

“Project developments in such an attractive inner-city location tend to be rare nowadays, not only in Dresden but in the majority of dynamically developing cities in Germany,” explains Thomas Meyer, the chairman of the board of management of Wertgrund Immobilien. And Mario Schüttauf, Hausinvest’s fund manager, adds: “Dresden, as a burgeoning metropolis with growing demand for residential property in the premium sector, and the top location in the historic baroque district make “Königshöfe” a true core property.” The second-largest German open-ended real estate fund has a volume of approx. 14.9 billion euros and intends to invest some two billion euros in residential real estate within the next four to five years. In order to achieve this objective Commerz Real has been cooperating with the residential specialist Wertgrund Immobilien since April 2019.

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Commerz Real AG

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