

## Press release

### **Aquila Capital announces new investment strategy for Southern European logistics real estate**

- **More attractive yields in target markets of Spain, Italy and Portugal than in Northern and Central Europe**
- **Target volume of EUR 350-400 million and a target IRR of 7-8%**
- **Focus on fully-let, core and core plus properties in sought-after logistics locations**

**Hamburg, 10 April 2018** – Aquila Capital, an investment company specialising in alternative investments, has announced a new investment strategy with a focus on logistics properties in Spain, Italy and Portugal. In total, between EUR 350 and 400 million are to be invested in long-term, fully-let core and core plus properties in selected, highly sought-after logistics locations. The company expects to generate returns of between 7% and 8% (IRR) for its investors.

“Our investment strategy aims to capitalise on the yield spread in the logistics sector between Southern and Central Europe. Spain, Italy and Portugal are in an earlier market cycle and have not yet experienced the same increases in property values and rents for logistics space that we have seen in Germany and the UK. In comparison, the Southern European e-commerce market has developed relatively slowly, which means that it still offers a host of attractive opportunities”, said Michael Husung, Head Client Advisory Real Estate at Aquila Capital.

#### **Focus on sought-after and expanding logistics markets**

Spain, Italy and Portugal are emerging logistics markets. Aquila Capital’s strategy focuses on national logistics centres in Madrid, Barcelona, Northern Italy, Lisbon and Porto. These logistics centres are in high demand, firmly established and already very well connected to regional and national infrastructure. In addition, these logistics markets have low vacancy rates and above-average rental growth potential.

As Olaf Bruns, Head of Fund and Asset Management Real Estate at Aquila Capital explained: “We have consciously chosen not to adopt a pan-European strategy and are instead prioritising targeted diversification. Our logistics specialists and highly networked

local investment team in Madrid have excellent market access and an attractive investment pipeline. In addition to already developed distribution centres, warehouse and transshipment properties, we are also interested in pre-let forward acquisitions<sup>1</sup>, which already feature in our purchase pipeline."

As part of its new investment strategy, Aquila Capital will expand its real estate transaction volume to more than EUR 1 billion by the end of 2018. Aquila Capital is already one of the ten largest European investors in the logistics sector and one of the largest residential property developers in Spain.

### **About Aquila Capital**

Aquila Capital develops alternative investment solutions for institutional investors worldwide. Founded in 2001 and owner-managed, the investment company considers itself a fiduciary for its clients and applies a holistic approach to managing customised real assets and financial assets.

Aquila Group's client base consists predominantly of institutional investors in Europe and Asia. Over 200 professionals located in ten offices globally implement efficient investment strategies via fund structures and individual mandates. The Aquila Group comprises Aquila Capital Investmentgesellschaft mbH, which is licensed by the Federal Financial Supervisory Authority (BaFin) to act as an alternative investment fund manager in Germany, and Alceda Fund Management S.A., which is licensed as an alternative investment fund manager and UCITS management company in Luxembourg by the Commission de Surveillance du Secteur Financier (CSSF).

Further information is available at: [www.aquila-capital.de](http://www.aquila-capital.de)

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<sup>1</sup> Forward purchases typically involve property developments, whereby the purchase price is only paid upon completion