

PRESS RELEASE

Aareal Bank provides € 200 million Green Loan to RedTree Capital

- **Landmark office building close to Paris to be renovated to highest ESG and market standards**

Wiesbaden, 18 July 2022 – Aareal Bank announces the closing of a financing agreement with French investment manager RedTree Capital. The Bank granted a € 200 million green facility to RedTree Capital for the acquisition and refurbishment of a 26,000 sqm office building in Levallois-Perret near Paris. Aareal Bank acted as arranger, lender and agent.

Carré Champerret is located in Levallois-Perret, one of the most dynamic districts in the West of Paris, exuding a positive image and high appeal for both residents and businesses, which is essential for attracting and retaining talent. It offers a high-quality working environment with a balanced mix of tertiary sector and housing. Its central location and access to public transport linking Paris city centre and La Défense make it a popular location for large-scale users.

The property is composed of four independent buildings surrounded by large exterior spaces. Following refurbishment, the asset will meet the highest ESG and property market standards.

First transaction with RedTree Capital

RedTree Capital is an independent and owner-operated real estate investment manager that was established in 2014 by Eric Sasson, former head of Carlyle Europe. To date, RedTree Capital has invested more than € 1 bn with a strong focus on office buildings in Paris and its surroundings.

“We are pleased to start a new collaboration with RedTree and to further grow our sustainable lending portfolio in France with this landmark property”, stated Christof Winkelmann, Member of the Management Board of Aareal Bank. “The Paris office market is characterised by a shortage of supply which drives the demand for large and modern properties towards locations like Levallois-Perret, where tenants and their employees can benefit from a well-developed infrastructure and from easy access to local amenities and restaurants. Office space complying with the highest ESG market standards and with strong property fundamentals will remain a sought-after product.”

Eric Sasson, Chairman of RedTree Capital, added: “RedTree Capital believes in improving the operational performance of assets, including their energy consumption, through redevelopment and refurbishment projects. To achieve this goal, we will invest in smart building and building operating systems and are very pleased to have a proven financing specialist for commercial real estate at our side.”

RedTree Capital was advised in this transaction by Archers, Alliance Notaires Meudon, Clifford Chance and UGFC. Aareal Bank was advised by De Pardieu Brocas Maffei and Allez & Associés.

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Aareal Bank Group:

Aareal Bank Group, headquartered in Wiesbaden, is a leading international property specialist. It provides smart financings, software products, and digital solutions for the property sector and related industries, and is present across three continents: Europe, North America and Asia/Pacific. Aareal Bank Group's business strategy focuses on sustainable business success, with environmental, social and governance aspects as an integral part of this strategy. Aareal Bank AG, whose shares are included in Deutsche Börse's SDAX index, is the Group's parent entity. It manages the various entities organised in the Group's business segments: Structured Property Financing, Banking & Digital Solutions, and Aareon. The Structured Property Financing segment encompasses all of Aareal Bank Group's property financing and funding activities. Here, the Bank supports its clients in making large-volume commercial property investments. The investment properties mostly comprise office buildings, hotels, shopping centres, logistics and residential property, as well as student apartments. In the Banking & Digital Solutions segment, Aareal Bank Group supports businesses from the housing, property management and energy industries as a digitalisation partner – combining extensive advisory services and product solutions with traditional corporate banking services and deposit-taking. Its subsidiary Aareon, the leading supplier of ERP software and digital solutions for the European property sector and its partners, represents the third business segment. Aareon is digitalising the property industry by offering user-oriented software solutions that simplify and automate processes, support sustainable and energy-efficient operations, and interconnect all process participants.