

PRESS RELEASE

Aareal Bank refinances prime UK PBSA portfolio in London for Chapter

Wiesbaden, 1 August 2023 – Aareal Bank has successfully completed the funding of a GBP 380 million senior loan to refinance a portfolio of three assets in Central London for the Chapter joint venture formed between Greystar, PIMCO Prime Real Estate (managing the investment on behalf of the Allianz Group) and the Public Sector Pension Investment Board (PSP Investments). Aareal Bank had previously been participating in the financing of these assets – namely Spitalfields, South Bank, and Aldgate – and is pleased to have now acted as the sole arranger, lender, and security agent in the refinancing of this prime portfolio.

Towering over its immediate surroundings at 33 stories high, Chapter Spitalfields is one of the most iconic purpose-built student accommodation (PBSA) assets in London, with South Bank and Aldgate boasting equally excellent conditions and amenities for students. The portfolio totaling 1,747 beds sits in coveted locations within Central London and is operated by Greystar, a leading PBSA operator with approximately 100,000 beds under management globally. The Chapter brand is regarded as one of the premier UK PBSA brands offering high-end exclusive student accommodation.

Michelle Weiss, Head of Hotel Properties at Aareal Bank commented: “We are very pleased to be able to continue our strong relationship with Greystar, PIMCO Prime Real Estate, and PSP Investments. The counter-cyclical nature and resilience of the PBSA market throughout the last years has been a testament to its robust fundamentals and is reflected in the growing investor appetite in this segment. We have been keenly expanding our PBSA loan portfolio and are delighted to continue on this trajectory with such prime assets in excellent locations, backed by very reputable and experienced sponsors.”

The sponsors were advised by Jones Day for legal matters while Rothschild & Co. acted as financial adviser and Chatham Financial acted as hedging adviser. Aareal Bank received legal counsel from by Allen & Overy. Valuations were carried out by Cushman & Wakefield.

Contact for the media:

Jasmin Maraslioglu
Phone: +49 611 348 2951
Mobile: +49 175 195 7649
jasmin.maraslioglu@aareal-bank.com

About Aareal Bank Group – 100 years of Aareal Bank. 100 years of writing success stories.

Aareal Bank Group, headquartered in Wiesbaden, was founded 100 years ago and has since become a leading international property specialist. The Bank uses its expertise to identify trends, challenges and opportunities at an early stage, and to exploit them for the benefit of its stakeholders. Today, it offers smart financing, 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 comprises the 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 housing. 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 SaaS solutions for the European property sector, represents the third business segment. It is digitalising property management by offering user-oriented software solutions that simplify and automate processes, support sustainable and energy-efficient operations, and interconnect all process participants