

PRESS RELEASE

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ECE and Art-Invest Real Estate have formed strategic JV for major residential London development

German real estate investor, ECE, has entered into a joint venture with Art-Invest Real Estate UK for the development of a £190m residential project in the heart of London's West End. The partnership will develop 88 luxury apartments, 35,000 sq ft of commercial space and 15 affordable housing units on a one-acre site on Cleveland Street in London W1. Its co-development partner is Dukelease, and completion of the project is scheduled for 2021.

It is the first investment of ECE in the UK market where the company considers exploring new opportunities, particularly in the residential sector. ECE considers the joint venture development as an opportunity to build up its UK experience and to add their own long-term expertise in real estate development.

Commenting on the investment into the Cleveland Street project, ECE's Chief Investment Officer, Henrie W. Koetter, said: "We are very positive about the long-term prospects for UK real estate. The project in collaboration with Art-Invest Real Estate, who are one of the most respected investor developers in Europe, was a unique opportunity to enter this sector for the first time".

ECE is a leading shopping centre development and management company in Europe, with 195 centres under management which have a current market value of €33 billion. The family-owned company also develops large-scale real estate projects such as corporate headquarters, office and industrial buildings, logistics centres, hotels, residential properties, and city districts.

Art-Invest Real Estate UK's Managing Partner, Ali Abbas, commented: "ECE is a natural joint venture partner for us on our first development in the UK. Its approach to real estate and its commitment to excellence is completely aligned with our strategic values.

"Our partnership with ECE on this development is underpinned by our local expertise and capability to originate, execute and deliver and we are delighted to be working with them on this exciting project."

Art-Invest Real Estate just recently announced the opening of their new London office to strengthen their local presence and to pursue a targeted early stage investment strategy.

Art-Invest Real Estate

Art-Invest Real Estate is an experienced investor, developer and asset manager operating across key gateway cities in Germany, Austria and the United Kingdom. Established in 2010 and headquartered in Cologne the business operates as a private partnership with the Zech Group and the managing partners as shareholders. The group invests and manages on behalf of its proprietary capital, regulated institutional funds and select joint venture partners pursuing a "manage to core" investment strategy across the risk spectrum principally in the office, retail, hotel, residential and data centre sectors. Since 2012, the company has been licensed to operate as a regulated fund manager in accordance with German investment law (KAGB). During this period Art-Invest Real Estate Funds has successfully launched 18 regulated funds for a variety of institutional investors. The group has currently more than EUR 6bn AuM with more than EUR 2bn invested equity for a range of institutional investors as long term partners. Art-Invest Real Estate is one of the largest office developers in Germany. Art-Invest Real Estate is also an innovation leader through its portfolio of investments across the value chain. These encompass the flexible office space sector; venture capital; data centre development and operation; IT service provision; the development of micro-living and serviced apartments; tenant planning and interior design services; and the provision of technology for intelligent buildings. More information: www.art-invest.com

ECE

ECE develops and operates shopping centers and realizes large-scale real estate projects such as corporate headquarters, office and industrial buildings, logistics centers, hotels, and city districts. Managing 195 shopping centers (out of which approximately 40 in international markets as well as more than 50 retail parks which are operated by MEC Metro-ECE Centermanagement) and operating in eleven countries, ECE is a leading shopping center company in Europe. The assets operated by ECE on behalf of their owners have a current market value of €33 billion. Every day, approximately 4.2 million customers visit ECE-managed centers which accommodate about 19,500 retail tenants on a total sales area of about seven million square meters, generating a total annual turnover of around €23 billion. In addition, ECE has realized more than one million square meters in office space, more than 1.3 million square meters in logistics space, and more than 3,100 hotel rooms. Furthermore, the company has completed or planned over 2,900 apartments. Founded by mail-order company pioneer Werner Otto (1909-2011) in 1965, ECE is still owned by the Otto family and managed by his son Alexander Otto, who has been holding the position of CEO since 2000. As a family-owned enterprise, ECE stands for long-standing partnerships, sustainable operations, an employee-focused work environment, and broad social commitment. More information on: www.ece.com

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