



DLE Land
Development
GmbH

Press Release

DLE Land Development Increases AuM to 2.2bn Euros

- DLE manages developments that will deliver more than 30,000 apartments
- All projected developments are sustainable and ESG compliant
- Sales of plots prepared for construction to contractors increased by 56 percent
- Company contributes effectively to Germany's housing supply

Berlin, 30 January 2023. DLE Land Development GmbH ("DLE"), one of Europe's leading investment and asset managers in the area of site and property development maintained its growth trajectory in 2022 as in previous years. The company's assets under management (AuM) increased to a total of c. 2.2 billion euros over the course of the year.

"We managed to keep expanding our commitment in the area of site and property development last year. The growth in AuM is testimony to the successful work of our staff and simultaneously evidence for the faith that institutional investors have in our core competencies in the procurement of development rights," commented Dr. Simon Kempf, Managing Director of DLE.

As Germany's largest asset manager for site and property development, DLE currently acts as third-party service provider to manage four investment funds under Luxembourg law that collectively pursue a total of 42 development projects with a potential to deliver 3.93 million square metres GFA overall. "It is the equivalent of more than 30,000 apartments or, assuming commercial use of the floor space, about 100,000 workplaces," explained Dr. Simon Kempf. He added that need-driven site development represents one of the key factors in the effort to boost economic strength and quality of living. Many fast-growing regions and metropolitan peripheries show a particularly acute shortage in suitable sites for public and municipal infrastructure, for urgently need residential accommodation and for modern workplaces. Here,

DLE works with technical planners and in close consultation with municipalities to develop urban planning concepts for an adequate and need-based development of a given region. Next, the building-law basics and parameters for the future developments of the respective plots are defined, using the relevant procedures. As far as the process duration and final implementation are concerned, the specific challenge for DLE is to develop future-proof concepts that meet the requirements of environmental sustainability and economic efficiency in the long term.

“Our management approach consists of restructuring existing, often dysfunctional local development plans in line with actual demand, and ultimately procuring planning permissions. Afterwards, the respective plots of land plus their development rights are handed over to developers who specialise in the implementation of such projects,” said Dr. Simon Kempf. “In the process, we collaborate in a constructive and trust-based manner both with the municipalities involved and with the prospective developers.” He added that the objective is to enhance the value of a given property via a sustainable and ESG compliant development concept.

In 2022, the company made good progress with the procurement of development rights for nine projects with a combined floor area totalling 383,000 square metres. “The often swift procurement of development rights is the result of our planners’ effective communication and professional cooperation with government agencies and the mandate holders in the municipalities,” said Dr. Kempf, adding that the latter unfortunately tend to lack the capacities to develop large-scale properties in a sustainable manner. Compared to the previous year, DLE effectively managed to increase the turnover rate and volume of its project sales by 56 percent.

The company assumes that the demand for construction land among developers will slow down in the year ahead, according to Dr. Kempf. “But given the urgent need for housing in Germany’s conurbations, we will continue our development activities at the same pace. In the longer term, housing construction in Germany will have to regain its momentum. The only question is what sort of instruments the government will employ in the future to support the process.”

About DLE Land Development GmbH: DLE Land Development GmbH is part of the DLE Group AG. The company is an internationally operating investment manager based in Berlin whose expertise covers the entire real estate value chain. As manager, DLE devises bespoke solutions and concepts for development projects and for its fund shareholders—who tend to be institutional investors including many pension funds and superannuation schemes from Germany—while simultaneously taking the respective urban-planning and landscape-planning aspects into account. To this end, DLE combines its long-term expertise with its extensive knowledge of the market, focusing

not least on sustainability, social aspects and an ESG-based corporate culture so as to cater to the specific needs of a given city.

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