



# BPT Hansa Lux SICAV-SIF Quarterly Fund Report Q4 2008



Dahlem Hechtgraben Campus Hotel, Berlin (visualization)

- NAV decreases from 100.2 to 96.4 (preliminary result)
- Decrease of interest rate swap valuation
- Decrease of investment property values
- Still high occupancy rates and rent prices are on market level

## Commentary

BPT Hansa Lux SICAV-SIF is a direct real estate fund covering commercial properties in Northern Germany. The fund is targeted at institutional investors and should be seen as a long-term investment product.

Although operating performance of the fund remained stable, NAV has decreased by 3.78, as a result of negative impact from hedge positions and of property revaluation.

## Activities over the quarter

Fund operating results remained quite satisfactory in Q4. The average direct property yield increased to 7.4% from 6.9% in Q3, as a result of a special payment of an expiring lease contract. Occupancy of the properties remains stable at a relatively high level, on average 98.7% in Q4.

The development proceeding was in line with the planning end of the year. Hamburg Wärtsilä showed a construction progress of approx. 65% and the development is until now in line with the calculated construction costs. There is no financial risk noticeable in terms of loan conditions. The Dahlem Campus Hotel development in Berlin is in the final stadium of the construction process, approx. 90% is realized. The pre-opening of the hotel took place in mid March 2009. 85% (in total 1,150 sq.m.) of the retail space is still vacant, and ongoing negotiations with potential tenants seem promising. The tenant-related costs are being discussed with the project developer.

The existing properties had a stable performance in Q4. The mixed building Weinmeisterstrasse in Berlin showed a decrease in rental income of 17% compared to Q3. Con-

## Fund performance

NAV per share	EUR 96.42
Latest dividend per share	N/A
Total fund return since inception	-3.6%
Fund return since inception annualised	-3.6%

## Portfolio

Number of properties	4, hereof 2 developments
Average gross property value	EUR 14.8m (incl. developments)
Occupancy ratio	98.7%

## Fund facts

Fund inception (as of the first NAV)	January 2008
Expected exit	2022
Status	Closed-end, open for investments
Target share capital	EUR 300.0m
Total share capital	EUR 24.3m
Net asset value (total equity)	EUR 23.5m
Investment capacity	EUR 1,000m
Gross property value	EUR 52.6m
Gross asset value (GAV)	EUR 57.2m
Total cash and cash equivalents	EUR 3.5m
Loans	EUR 30.2m
Loan to value	57.4%
Interest coverage	60.8%

## Acquisitions and sales



**Wärtsilä (Hamburg)**  
Factory and Office, 4,985 sq.m.  
Acquired June 2008



**Weinmeisterstrasse (Berlin)**  
Office/Retail building, 5,210 sq.m.  
Acquired 1st of August 2007

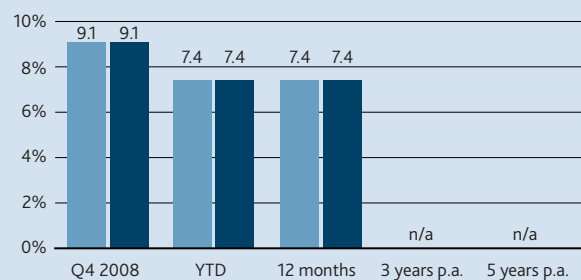


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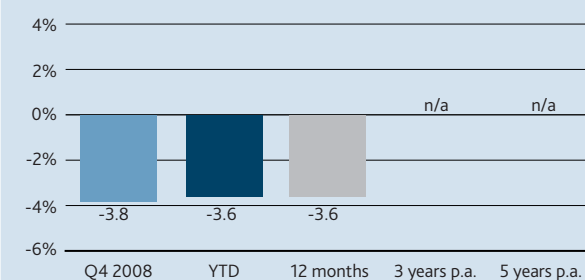


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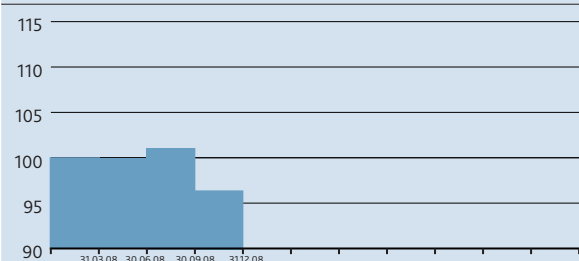
## BPT Hansa Lux SICAV-SIF, QFR Q4 2008

**Direct property yield (DPY) p.a. and net initial yield (NIY) p.a.**

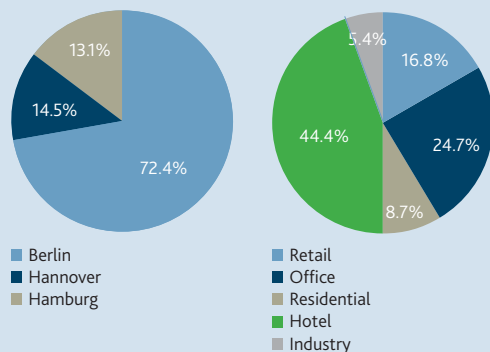
DPY (dark blue) is calculated as the net operating income divided by the acquisition costs, annualised. NIY (light blue) is calculated as the net operating income divided by gross property value, annualised.

**Total fund return**

Total fund return is calculated as NAV-to-NAV taking into account distributed dividend and net capital invested for the year.

**Development in NAV per share and historical dividends**

Development in NAV is excluding reinvested dividends. Historical dividends are shown at the time they are deducted from the NAV per share.

**Allocation**

Allocation is calculated based on gross property value after completion.

**Top 5 holdings**

Hechtgraben Campus Hotel	Hotel/Other	Berlin
Weinmeisterstrasse	Office/Retail	Berlin
Walsroder Strasse	Office	Hannover
Wärtsilä	Office/Factory	Hamburg
<b>Weight of total gross property value</b>		<b>100.0%</b>

Top 5 holdings is based on gross property value.

cerning the office building in Hannover, Walsroderstrasse, the general leasing contract and lease agreement of one of the main tenants were terminated at the end of 2008. Consequently approx. 1.600 sqm office space became vacant from January 2009. Negotiations with several tenants are ongoing. All planned acquisitions became deferred for the time being as a result of the situation of the financial market.

**Preliminary financial results for the year 2008**

Despite good operating results (net operating income reached EUR 1,3 m), the preliminary fund's net loss for the year was EUR 0,5m. The result is negative due to the decrease of property values and a decrease of interest swap valuation. Valuation of the investment property portfolio was performed by independent valutors as per year-end of 2008. The valuation resulted in a net value loss of EUR 0,4 m (~2.5% of investment property value of the existing properties) which is considered a good result in the current market, where property values in Germany in general have decreased.

**Market outlook**

Due to the financial crisis the government reduced the forecast for the real growth of GDP from 1.3% in 2008 to -2.3% in 2009. The reduction is based on the strong decrease of exports. An increase of the unemployment rate up to 9.2% is forecasted. Nevertheless the economic imbalances are lower than in other European countries. Tax reductions and stimulation of the economic cycle by the German government are showing its first results, as the consumer confidence has remained stable.

The amount of real estate transactions in Germany has significantly diminished over Q4 and is expected to stay low in the coming quarters. It has therefore been difficult for real estate assessors to pinpoint the current market yields, but over the next quarters we expect higher yields and better market conditions.

**Fees**

Management fee	0.75% p.a. of GAV of the portfolio
Acquisition fee	0.3% of the total transaction sum
Incentive fee	20% of RoE in excess of 7% p.a.
Subscription fee	2.5% of the subscription price

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