

PRESS RELEASE

Engel & Völkers Capital AG expects increasing requests for financing despite the coronavirus crisis

- **One third of developers are experiencing difficulties with financing**
- **Rapid reviews and flexible solutions are in demand**

Hamburg, April 16, 2020. A current survey of developers by Engel & Völkers Investment Consulting shows that one third (33%) of those surveyed are experiencing problems with financing. As a solution-oriented specialist for the structuring and provision of commercial real estate financing, Engel & Völkers Capital AG is more agile than traditional financiers (banks) due to its established lending criteria and rapid review processes.

The Hamburg-based company is expecting increased demand from the market for pending financing. **Jörg Scheidler, Member of the Management Board of Engel & Völkers Capital AG** says: "We are expecting a larger number of financing requests from developers or portfolio holders triggered by the slowdown in lending processes and resource bottlenecks in the financial sector." Engel & Völkers Capital AG, together with its renowned partners, has adapted the coordination processes to the current situation and is currently fully operational in terms of evaluating current projects and examining future enquiries. In addition, Engel & Völkers Capital AG is more flexible when it comes to structuring commercial real estate financing and can therefore also handle financing requests that banks are unable to meet due to regulatory restrictions (e.g. equity ratio).

Tomasz Kalemba, Head of Investment and Portfolio Management at Engel & Völkers Capital AG, adds: "Thanks to our exclusive and extensive network of external investors and capital providers, as well as the financing

vehicles (e.g. institutional special funds) we manage, we are able to offer flexible solutions to the benefit of our customers, even in the current market conditions."

Against the background of the general restrictions imposed by COVID-19, Engel & Völkers Capital AG is also continuously adjusting its internal measures to ensure the health and performance capability of its employees while simultaneously responding to changing market requirements and real estate projects.

The short and medium-term effects of the coronavirus depend heavily on the duration of the pandemic-related restrictions. **Florian Kraul, Head of Research at Engel & Völkers Commercial GmbH**, assesses the market as follows: "At present, the retail, hotel and food and drink sectors are undoubtedly the most severely affected by the state-imposed measures. As far as office space is concerned, we expect some companies to downsize. However, our consultants are also receiving enquiries from clients for new, larger premises. Industrial and logistics space will be in increasing demand as a result of the coronavirus pandemic. "

Susanne Eickermann-Riepe (FRICS), Partner Real Estate Advisory at PwC, says of the current situation in the real estate financing market: "The threat of current bottlenecks and cutbacks, the duration of the restrictions and the availability and accessibility of subsidies are adjusting parameters that open up opportunities for new business for independent financiers".

With its tight-knit international network, Engel & Völkers Capital AG can analyse the entire real estate market using its local market knowledge. This unique feature enables the company to react quickly to the dynamically developing real estate market, whether by adapting to a specific real estate sector, a developer or a micro or macro-location.

Robin Frenzel, Chairman of the Management Board at Engel & Völkers Capital AG underlines the company's position: "In our opinion and according to feedback from our business partners, we are well and professionally prepared for the challenges of the real estate market".

About Engel & Völkers Capital AG

Engel & Völkers Capital AG is an independent investment and asset manager for real estate investments and a provider in the structuring and provision of customised financing solutions for developers and portfolio holders. The company provides institutional investors with access to attractive and individual solutions for real estate investments and offer borrowers tailor-made financing solutions at all stages of their real estate projects. Engel & Völkers Capital AG is a licenced partner of the Engel & Völkers Group.

www.engelvoelkerscapital.com

Press:

Ummen Communications GmbH

Robert Ummen

Tel. 0049 171 - 7614583

ummen@ummen.com