

Press release, 6 May 2024

Swiss Central City Real Estate Fund successfully concludes early lease extension with B.H.M.S. AG for property in the centre of Lucerne for 20 years

The Swiss Central City Real Estate Fund (SIX Swiss Exchange: CITY) was able to renegotiate the existing rental agreement for the property at Gütschstrasse 2, 4, 6 in the centre of Lucerne with the main tenant B.H.M.S. AG (Business & Hotel Management School) at an early stage and to extend it for a further 20 years as of 1 January 2026, at an agreed target rental income of CHF 2.7 million p.a. The property contains 137 apartments, which are rented out by B.H.M.S. as accommodation for its mainly international students as part of the training programmes offered. The usable area totals around 7,500 m² and B.H.M.S. is the largest single tenant in the Swiss Central City Real Estate Fund portfolio, accounting for around 12% of rental income. The contract extension increases the WAULT of fixed-term rental agreements in the portfolio from 5.1 to 8.4 years. The Swiss Central City Real Estate Fund is thus securing long-term income early on with an important anchor tenant and will also achieve a material increase in income as of 2026.

Planned refurbishment

A comprehensive interior refurbishment of the apartments is planned as of 2026, including new kitchen units, sanitary units, floors and walls, seismic retrofitting and the renewal of the ascending pipes. The real estate investments will improve the quality of the property, and the increase in income will have a positive impact on the future property value.

Heinrich Meister, President & CEO of B.H.M.S., comments: “The location of our City Campus in the heart of Lucerne is unique and an excellent opportunity for our students to benefit directly from the vibrant life of this city. This always offers them a good balance to the intensive education programmes, in which they prepare for their future management positions in the hotel and hospitality industry.”

Marcel Denner, COO of the fund management company Nova Property Fund Management AG, adds: “The early extension of the rental agreement with B.H.M.S. for a further 20 years represents a genuine partnership with the tenant and a commitment to the long-term, sustainable development of the property – a win-win result for the tenant, the fund and its investors.”

Contacts:

Marcel Schneider
CEO

marcel.schneider@novaproperty.ch

Marcel Denner
COO

marcel.denner@novaproperty.ch

Nova Property Fund Management AG

Zentrum Staldenbach 3

8808 Pfäffikon SZ

+41 58 255 37 37

info@novaproperty.ch

www.novaproperty.ch

Swiss Central City Real Estate Fund

The Swiss Central City Real Estate Fund invests in properties in prime locations in the major economic centres in Switzerland. The key criteria are centrality of the property, good accessibility, stable cash flows and a product profile geared to the needs of the tenants.

SIX Swiss Exchange listed; Security number 44414255; ISIN CH0444142555; Symbol CITY

Nova Property Fund Management AG

Nova Property Fund Management AG is a fund management company authorised by the Swiss Financial Market Supervisory Authority FINMA on 5 November 2018 with its registered office in Pfäffikon SZ and has been active in the fund business since that date. This includes the establishment, management and administration of collective investment schemes under Swiss law and the distribution of the self-managed funds. In addition, the company provides investment advice to real estate investment companies and investment foundations with a focus on real estate. With its five portfolios, the owner-managed fund management company currently covers the entire Swiss real estate market for residential and commercial properties. These portfolios include Novavest Real Estate AG (SIX Swiss Exchange: NREN), SenioResidenz AG (BX Swiss AG: SENIO), Swiss Central City Real Estate Fund (SIX Swiss Exchange: CITY), 1291 Die Schweizer Anlagestiftung (KGAST member) and Central Real Estate Holding AG (including its subsidiary Rhystadt AG), which together hold about CHF 3.8 billion in Swiss real estate assets.

Disclaimer

This media release constitutes neither a prospectus nor a basic information leaflet within the meaning of the Swiss Financial Services Act (FIDLEG), nor a simplified prospectus or key investor information pursuant to the final provisions of the Swiss Collective Investment Schemes Ordinance (CISO). It constitutes neither an offer nor a recommendation to subscribe to or redeem fund units or to purchase or sell other financial instruments or services, but is intended solely for information purposes. This media release may contain forward-looking statements that are subject to uncertainties and risks and may change. Historical performance is no indicator of current or future performance. All statements relating to the future are based on data available to the fund management company Nova Property Fund Management AG at the time this media release was prepared. Nova Property Fund Management AG assumes no obligation whatsoever to revise and update any forward-looking statements in this media release at a later date as a result of new information, future events or the like. Decisions to purchase or subscribe to new units of the Swiss Central City Real Estate Fund should be made exclusively on the basis of the relevant prospectus and the integrated fund contract (both available in German), which can be ordered free of charge from the fund management company.

This media release is intended for the territory of Switzerland only.