

DFI, Cells JV buys vacant Hamburg office for value-add play

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Deutsche Finance International (“DFI”) has acquired Holstenwall 20-22, a vacant value add office opportunity comprising two buildings in the centre of Hamburg, Germany from the International Campus Group.

In a statement, DFI said that it intends to ‘fully redevelop the asset and deliver a prime new workspace into a market where the existing constrained supply of grade A offices is expected to be further exacerbated by increased occupier demand for the highest quality space post pandemic’. Financial details were not disclosed.

The transaction has been undertaken on behalf of DFI’s pan-European Value Add Fund in partnership with Cells Group, a German real estate development, asset management and investment company. The partnership is actively pursuing similar value add opportunities across Germany, primarily focused on office and mixed-use assets in Munich, Berlin, Hamburg, Düsseldorf and Frankfurt.

The asset is located on the cityring right at the corner of the CBD and St.Pauli and is located directly opposite the Große Wallanlagen, one of a series of connected green parks running through the centre of Hamburg. Formerly functioning as the headquarters of the local bank Hamburg Sparkasse, the

property is now vacant and comprises approximately 9,000 m2 of space across seven storeys, together with 97 parking spaces in a three-level underground garage.

Gavin Neilan, co-founder and co-managing partner at DFI commented: 'We believe that offices will continue to be a critical element of corporate culture and anticipate that, as we emerge from this pandemic, there will be a flight to quality from tenants and investors, where customer-focused operational excellence will also win out. We have high conviction in the long term fundamentals of the German and Hamburg market and have been able to unlock this attractive value add opportunity leveraging our local presence and long term relationship with CELLS Group.'

Dirk Ruppert, CIO at Cells Group commented: 'Cells continues to believe in the demand and dynamics of inner-city location of the big metropolitan areas in Germany and we are working with DFI to identify further value add investment opportunities in the course of this year.'

Colliers International advised the vendor.



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