



DEUTSCHE
PFANDBRIEFBANK

Press Release

pbb Deutsche Pfandbriefbank provides c. £48 million of acquisition finance to Harbert European Real Estate Fund III, LP.

Munich/London, 10 January 2014 – pbb Deutsche Pfandbriefbank has provided a c. £48 million facility to a subsidiary of Harbert European Real Estate Fund III, LP which is advised by Harbert European Fund Advisors Limited. The facility finances the acquisition of a geographically diverse portfolio of retail warehouses located across the United Kingdom. This transaction closed in December 2013.

The transaction is secured on six retail warehouse assets located across the UK that are of institutional quality. The buildings were constructed in the period 1990 - 2007 and are well suited to current tenant demand. All parks are easily accessible and are leading retail destinations in their catchment areas. At funding, the portfolio had an occupancy rate of 98%.

Charles Balch, Head of Real Estate Finance International, UK & CEE at pbb Deutsche Pfandbriefbank, said: "We are delighted to be providing financing to Harbert for their purchase of this regional retail warehouse portfolio. The transaction is our first deal together and shows the Bank's commitment to broaden its client base. Equally, the subject transaction represents further expansion of the Bank's portfolio secured on regional assets and evidences pbb's appetite to provide financing for assets outside London".

Scott O'Donnell, Senior Managing Director of Harbert Management Corporation (Europe) LLC, said: "It is always a pleasure to work with professionals who are both strong in their area of expertise but who also understand real estate and our strategy for driving value. Pbb has such a team, and as a result we were able to put a financing structure in place that allows us to act in a manner of long-term value creation".

Media Contacts:

pbb Deutsche Pfandbriefbank

Walter Allwicher, +49 89 2880 28787, walter.allwicher@pfandbriefbank.com

Oliver Größ, +49 89 2880 28781, oliver.gruess@pfandbriefbank.com

Harbert Management Corporation (Europe) LLC

Tor Tveitane, Harbert Management Corporation (Europe) LLC, +44 207 408 4144

Notes to Editors:

pbb Deutsche Pfandbriefbank (www.pfandbriefbank.com) is a specialist bank for commercial real estate finance and public investment finance. The regional focus is on Germany as well as Great Britain, France and Scandinavia plus other selected European countries. The bank plays an important role in supplying credit to the real estate industry and supports the public sector with financing for projects and measures designed to improve public infrastructure.



DEUTSCHE
PFANDBRIEFBANK

In real estate financing, pbb's range of services is targeted at professional national and international real estate investors such as real estate companies, institutional investors, real estate funds as well as SMEs and customers with a regional focus in Germany. The focus is on the less volatile real estate types, including offices, retail properties, apartments and logistics. pbb focuses on medium to large-scale financing arrangements, and offers its customers local expertise and international know-how.

Harbert Management Corporation (HMC), an alternative asset management firm with approximately \$3.2 billion in assets under management as of January 1, 2014, is a privately owned firm formed in 1993 to sponsor alternative asset investment funds. HMC serves foundations and endowments, pension funds, financial institutions, insurance companies, fund of funds, family offices and high net worth individuals across multiple asset classes. Investment strategies include European and US real estate, venture capital, mezzanine debt, independent power, US and Australian private equity, and public securities. Additional information about HMC can be found at www.harbert.net.