



## Press Release

Date: 07/12/2021

### Greenman OPEN signs long-term framework agreement with Kaufland, boosting the fund average remaining lease term by 15%

Greenman OPEN (GMO), one of the largest food retail-focused investment funds in Germany, has recently agreed a new framework agreement with Kaufland, one of Germany's leading grocery retailers, on the long-term renewal of five leases across a portfolio of five retail centres it acquired in 2019 for €112m.

As a result of this agreement, the weighted average remaining lease term (WARLT) of the portfolio will increase by 181%, from 4.98 to 14 years. The WARLT for the entire GMO portfolio will correspondingly increase by 17%, from 7.64 to 9 years, with the potential to reach 10 years once new leases are agreed with the non-food retailers. The assets are located in Plauen, Genthin, Zwickau, Halle and Frankfurt Oder.

Commenting on the agreement, **James McEvoy, Head of Acquisitions at Greenman**, said: "As market specialists in this asset class, it is very important for us to, as early as possible, understand our tenants' needs, long-term plans and future market concepts. This agreement marks an important milestone in our asset management plan for this portfolio and most importantly in our expanded relationship with Kaufland, one of Germany and Europe's most established grocery retailers and one of our largest occupiers in the GMO Portfolio. Having acquired the portfolio just two years ago in a relatively unloved state, we devised with Kaufland a framework agreement that commits the grocery retailer to extend its lease term as anchor tenant at all five properties on a long-term basis and to secure long-term and sustainable rental income for the fund.

"With such a strong food anchor tenant now committed for the long-term, we're in an excellent position to further improve the overall WARLT on each centre by signing new leases with our non-grocery retail occupiers. We're also working towards agreeing similar tenant framework agreements with our other grocery retail occupiers."



**Andreas Voigt, Managing Director of Real Estate and Construction at Kaufland, said:**

“Through our collaboration with Greenman, we’ve seen a significant improvement in the centres. Their understanding of the asset class and our changing retail concept has provided us with the confidence to extend our leases and invest further in the assets. The locations and catchment areas fit well into our future operational model. We look forward to working with Greenman over the long term.”

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**About Greenman OPEN**

Greenman OPEN (GMO) is one of the largest food-retail focused real estate investment funds in Germany. As of November 2021, GMO had an GAV of €927 million and generated €46 million of annual rental income from 73 assets and c. 390 occupiers, with roughly 0.5% of all groceries in Germany being sold from a property owned by the fund.

Investing exclusively in German food anchored retail parks, hybrid centres and neighbourhood centres, the majority of investor income originates from rental payments with a growing proportion coming from the provision of data and other services back to its occupiers.

GMO is part of a Luxembourg SICAV FIS that is approved by the CSSF and managed by the AIFM Greenman. [www.greenmanopen.com](http://www.greenmanopen.com)