# For Sale:
# Price: €906,000

PROPHAUS GERMANY

Ref: PH15

## Dresden Area, Saxony, Germany



**€56,361**
CURRENT RENTAL INCOME

**6.2%**
CURRENT RENTAL YIELD

**€963,000**
CURRENT MARKET VALUE

- ☑ **BMV: 6**% Below Market Value – Current Value €963,000 (€986/sqm)
- ☑ **RENT:** Fully rented. Potential to increase the rental yield to 7.1%
- ☑ **LOCATION:** Excellent location close to Dresden – Germanys next Property Hotspot
- ☑ **NEW MORTGAGE INCLUDED**: €614,182 Mortgage with a very low fixed interest rate of 1.84%
- ☑ **GOOD LIQUIDITY:** Mortgage repayments account for only 54% of the rental income.
- ☑ **FULLY MANAGED:** German based Property & Investment Management

## Exclusive to Investix Germany

**EXCELLENT PRICE: €57,000 BELOW MARKET VALUE**

Stunning portfolio of 15 apartments with exceptional mortgage terms in the economic region of Dresden, regarded by many as Germany's next Property Investment Hotspot. This exceptional property is located 25km northwest from Dresden. Investix is offering this property 6% BELOW MARKET VALUE with a Guaranteed Mortgage!

**Suitable for Private Investors, Pensions and Small syndicates**

| | |
|---|---|
| **Units:** | 15 apartments |
| **Current rent:** | €56,361 (yield 6.2% / factor 16.07) |
| **EMR:** | €65,000 (yield 7.1% / factor 13.93) |
| **Rentable Sqm:** | 976sqm |
| **Mortgage included:** | Yes |

**EMR** = Estimated Market Rent. Data provided from GeoMap.

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# Investment Case

**BMV: 6% Below Market Value – Current Market Value €963,000**

This is an exclusive opportunity for an Investix investor to acquire this off-market portfolio of 15 apartments for €906,000 (€928/sqm) which is €57,000 less than the current open market. Property prices in Dresden and the greater Dresden area have increased significantly in recent years and market analysis shows that the average price/sqm of Multi-family homes in Meißen has now increased to €986/sqm which is 6% higher than the current offer price of this portfolio.

**LOCATION: Excellent location close to Dresden city centre – Germanys next Property Hotspot**

Housing prices are flourishing and rents are rising. In comparison to many cities in Germany, Dresden continues to offer optimal investment opportunities: comparably affordable entry prices; a still high rental level; high quality construction; and positive economic conditions. But a very high number of commuters indicates that there are too few available living spaces in Dresden. Dresden and its surrounding towns are fast becoming Germany next Property Hotspot.

**NEW MORTGAGE INCLUDED: €614,182 Mortgage with a very low interest rate of 1.84%**

Investix investors have the unique opportunity to use very attractive German bank financing to help increase the return on their investment. The bank has already completed it full due diligence on this project and is confident that the property has a strong level of rental income so they can offer this very low interest rate fixed for the next 10 years.

**BOTH PROPERTIES** are fully rented with long term tenants generating a very attractive rental yield of 6.5% per annum. There is a low supply and high demand for good quality rental properties in this area. Smart investors recognize the importance of location and what makes this property investment especially attractive is its low price considering its proximity to Dresden 30 minutes away. The average apartment price in this house of €928/sqm is nearly 60% lower than the average price in Dresden of €2,228/sqm.

- Positive cash flow every month.
- Low supply & High demand for good quality rental stock in this area.
- Fully rented with long term tenants
- €906,000 - Very attractive price of €928/sqm which is currently lower than the cost of construction.
- Pre-approved mortgage with 54% Loan to Rent ratio. Low fixed interest rates. Non-recourse.
- High rental income = positive cash flow
- Relatively low running costs for owning and managing an investment property
- Good appreciation expected in the future



**Additional documents available on request:**

- Rental Sheets (Mietuebersicht)
- Property land registration (Grundbuchauszug)
- Building encumbrances (Altlastenkataster)
- Ordanance survey map (Katasterkarte)
- Track record of each property (Qlikview Report)

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# Property Description

Investix are delighted to present this fully tenanted apartment block to the market, located in Meißen which is only 30mins from the centre of Dresden. The portfolio consists of 2 buildings located directly behind each other very close to the centre of Meissen. All 15 apartments are fully rented out to the long-term tenants with many of them renting well over 20 years. Both buildings were built in 1900 with full renovations completed in 2000 and 2015. Both are currently are in very good condition. Tenants enjoy high-quality well-designed apartments, which due to their size and price, are especially attractive to young families with children.



Leipziger Straße 45

**Huge Potential to increase the rental income**

Both properties are within a short walking distance from many historical sights. They have convenient transport connections with a bus line across the street connecting to various parts of the town including the train station which has a direct connection to Dresden Central Station which can be reached by most commuters in less than 30 minutes. Both buildings have convenient parking option for tenants and a 24/7 gas station close by makes it a convenient option.

- 15 fully rented apartments – Multi Family Home
- Two separate properties: located close to each other
- Average apartment size – 65sqm
- Potential to increase Rent – currently 15% below the market rates
- Located close to the centre of Meissen
- Only 30 minutes commute to the centre of Dresden by train
- Bus stops across the street
- Gas station, supermarkets, banks, and restaurants all within a short walking distance
- Big backyard between buildings for recreation
- Great for families - kindergartens and schools in walking distance



Fischergasse 6

***Leipziger Straße 45, Fischergasse 6***

| Unit Nr. | Lease date | Status | Size | Current rent in Building | Average market rent | Current rent/sqm | Market rent/sqm | Increase Potential |
|---|---|---|---|---|---|---|---|---|
| 1 | 01/04/78 | Rented | 64.96 m² | 298.92 € | 357.93 € | 4.60 € | 5.51 € | 20% |
| 2 | 01/07/00 | Rented | 74.00 m² | 360.52 € | 407.74 € | 4.87 € | 5.51 € | 13% |
| 3 | 01/09/16 | Rented | 81.72 m² | 410.00 € | 450.28 € | 5.02 € | 5.51 € | 10% |
| 4 | 01/09/10 | Rented | 60.00 m² | 289.00 € | 330.60 € | 4.82 € | 5.51 € | 14% |
| 5 | 01/05/13 | Rented | 84.00 m² | 315.00 € | 462.84 € | 3.75 € | 5.51 € | 47% |
| 6 | 01/04/90 | Rented | 67.79 m² | 311.94 € | 373.52 € | 4.60 € | 5.51 € | 20% |
| 7 | 01/05/17 | Rented | 67.13 m² | 340.00 € | 369.89 € | 5.06 € | 5.51 € | 9% |
| 8 | 01/10/17 | Rented | 57.60 m² | 305.00 € | 317.38 € | 5.30 € | 5.51 € | 4% |
| 9 | 01/06/13 | Rented | 45.00 m² | 220.00 € | 247.95 € | 4.89 € | 5.51 € | 13% |
| 10 | 01/05/16 | Rented | 43.00 m² | 220.00 € | 236.93 € | 5.12 € | 5.51 € | 8% |
| 11 | 01/04/11 | Rented | 94.45 m² | 380.00 € | 520.42 € | 4.02 € | 5.51 € | 37% |
| 12 | 01/07/95 | Rented | 53.07 m² | 271.34 € | 292.42 € | 5.11 € | 5.51 € | 8% |
| 13 | 01/05/16 | Rented | 43.25 m² | 220.00 € | 238.31 € | 5.09 € | 5.51 € | 8% |
| 14 | 01/04/16 | Rented | 80.00 m² | 380.00 € | 440.80 € | 4.75 € | 5.51 € | 16% |
| 15 | 01/09/17 | Rented | 60.00 m² | 370.00 € | 370.00 € | 6.17 € | 5.51 € | -11% |
| | | | **975.97 m²** | **4,691.72 €** | **5,416.99 €** | **4.81 €** | **5.55 €** | **15%** |
| | | | | **€56,361** | **€65,004** | | | |

# Photos

PROPHAUS GERMANY



Leipziger Straße 45



Leipziger Straße 45

# Photos

PROPHAUS GERMANY



Leipziger Straße 45



Leipziger Straße 45

# Photos



Fischergasse 6



Fischergasse 6




Meissen centre has many big shopping centres with well known German and International brands



Meissen city has well preserved and very charming historical old town



Property Prices on the increase



Rents on the increase



Population on the increase

# **Dresden** – Germany's next Property Hotspot

The Dresden property market continues to prosper in 2018 and proves to be a fast-growing investment location. New record sales and price increases in almost all asset classes are the result of persistently low capital market rates and declining willingness to sell.

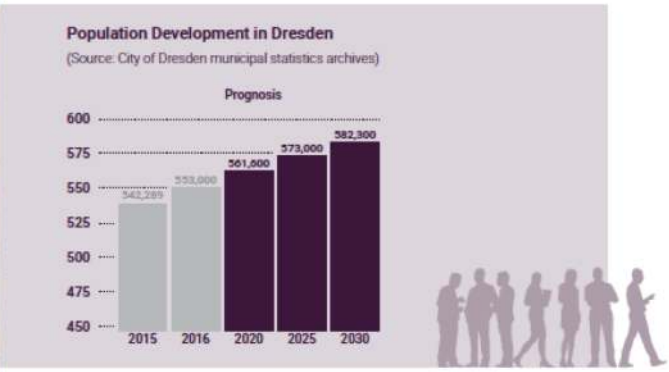
**Housing is flourishing.** Rents are rising. In comparison to many cities in Germany, Dresden and especially the suburbs and local towns continue to offer optimal investment opportunities: comparably affordable entry prices; a still high rental level; high quality construction; and positive economic conditions.

**First came Munich, then Berlin. Now Dresden is fast becoming Germanys next Property Hotspot.**



**Tenancy rates of up to 84% in Dresden and some surrounding areas is still well above the national average.**

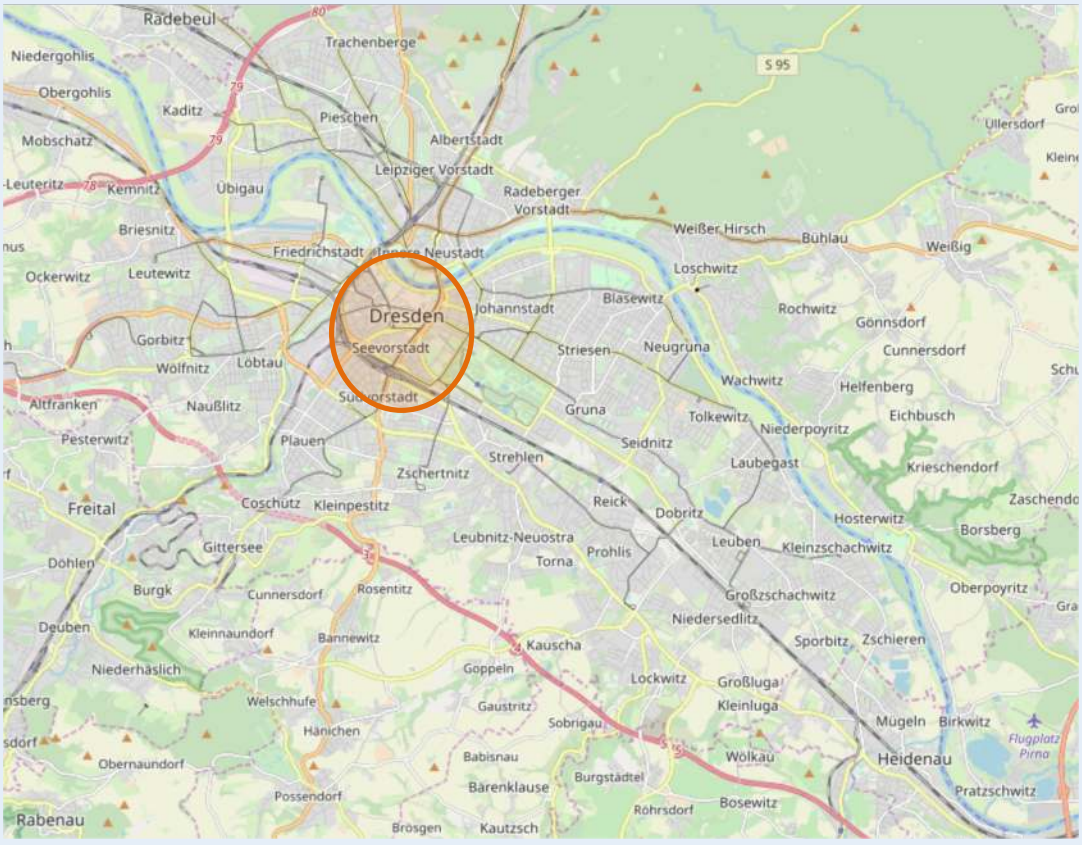
- Inhabitants 557,098 (and rising)
- Employees 258,758 (and rising)
- Unemployment rate 6.6% (down)
- Purchasing power per capita €20,948 (and rising)
- Overnight accommodation 4.43 million (and rising)
- Housing stock 299,026 (and rising)



# Location

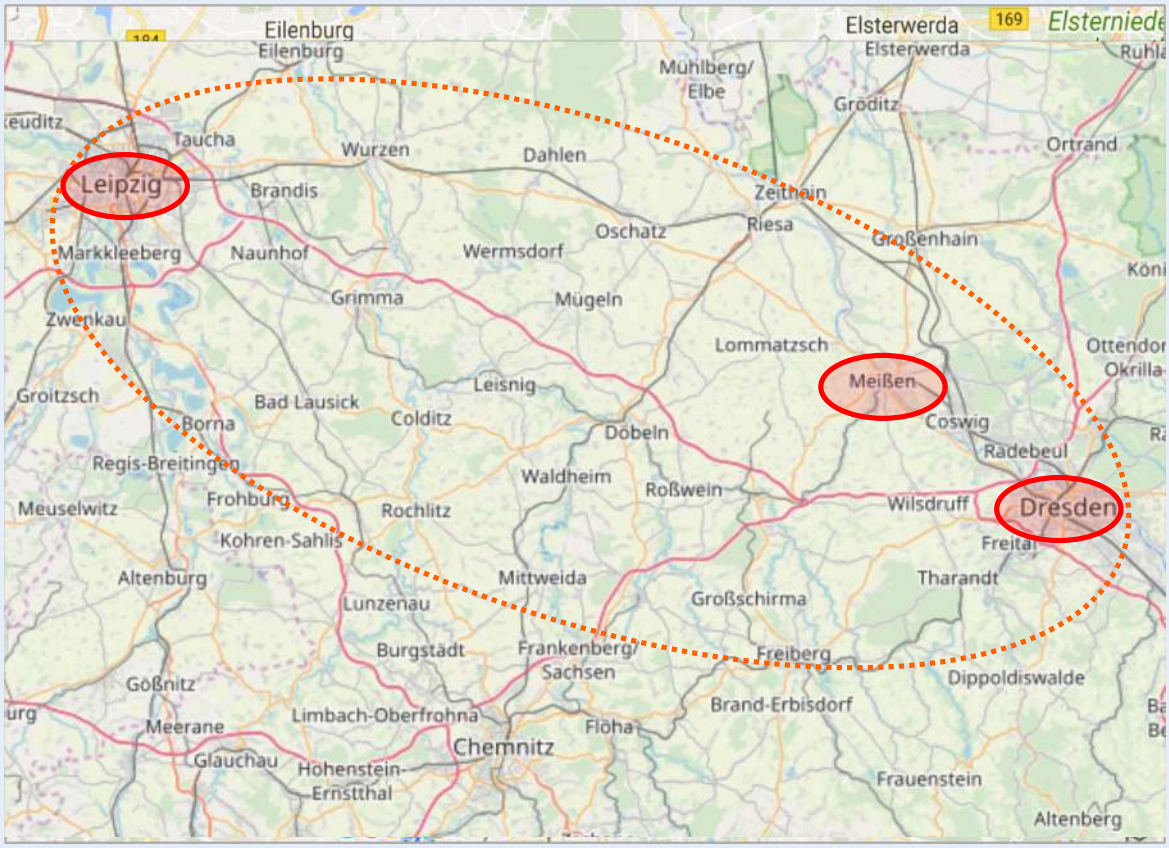



Saxony – one of Germanys fastest growing economies

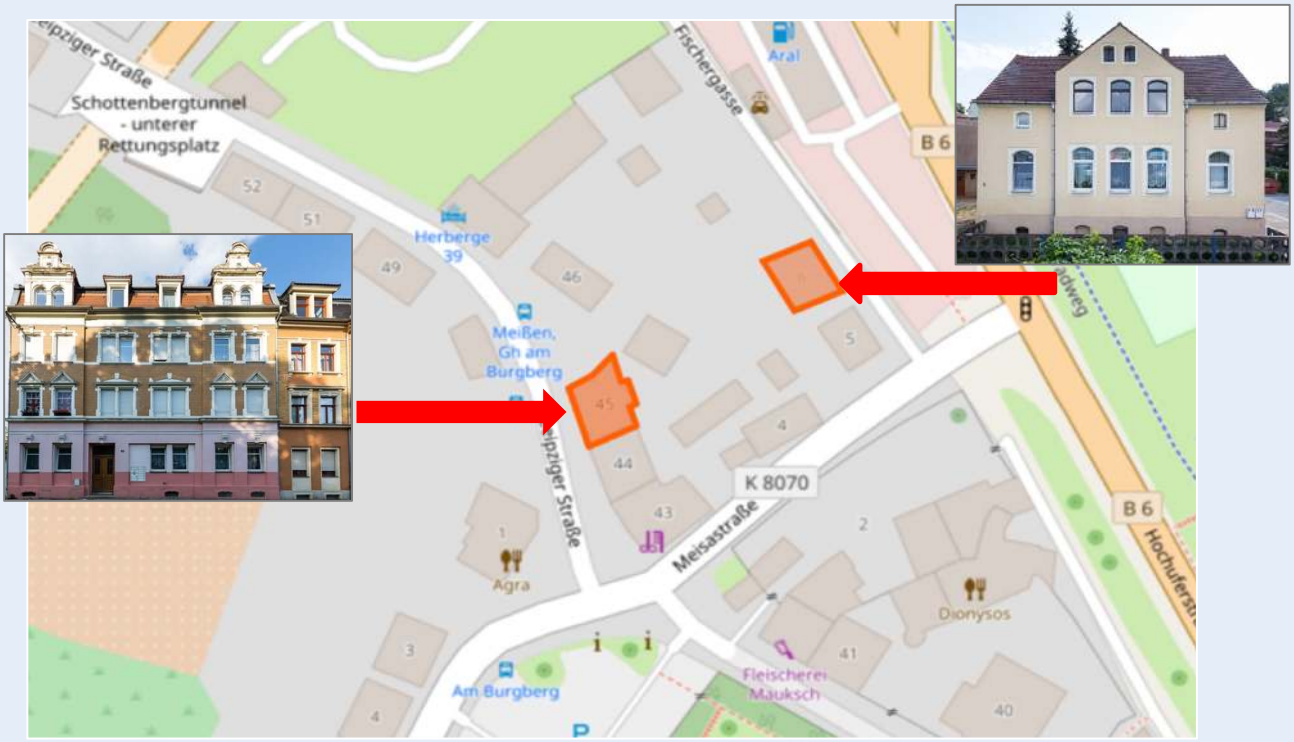



Dresden, the capital of Saxony, has a population of over 550,000

# Location




Meissen is located between Dresden and Leipzig with over 1.6 million in total population in the area.




Central locations, next to the old town tourist sights, shops and various transport options.

**Saxony** is the birthplace of German industrialization, and long-standing traditional industries - such as machine construction and automotive manufacturing - continue to flourish there. For example, over 650 suppliers in "Autoland Saxony" feed their products to five vehicle and engine production sites for Volkswagen, Porsche, and BMW. Saxony's modern claim to fame is its leading position among the world's most innovative locations for microelectronics. Large global corporations based there - such as Globalfoundries, Infineon, and Siltronic AG – have attracted even more microelectronic companies to the area and made "Silicon Saxony" the center of Europe's microelectronic industry. Altogether, there are nearly 200 companies there in the semiconductor industry.

**Meissen** is strategically positioned within a commuter corridor of over 1.6million people and with only 30min commute to Dresden, it attracts many people looking for more sustainable living conditions due to high price rises in Dresden. It's excellent train connections allow residents to reach central station via S-Bahn in only 30min while saving more than a half on similar rental apartments. For investors, it also gives huge advantage on saving on price.

**Leipziger Straße 45** is located in the town centre, with the old town nearby. It has convenient parking options for tenants on the street and 24/7 gas station for late shopping or refuels. The bus station, connecting to various parts of town is located across the street.




Strong local demand from families, commuters and retirees:

- **Easy access to Dresden city centre**
- **Walking distance to train station**
- **Shops, bars and restaurants**
- **Local school and kindergardens**
- **No car required**

## Leipziger Straße 45, Fischergasse 6, Meißen, Saxony







INVESTIX Group Head office, Berlin City Centre

# Fully managed investment – Entry to Exit

PROPERTY | MORTGAGE | STRUCTURE | PLANNING | REPORTING | MANAGEMENT

**Investment Committee:** Our Property team searches for property differently to the average buyer, focusing on properties that will give the best returns. All residential property investments available from the Investix Group were specifically chosen and analysed by our Property Wealth Management team. Our investors benefit from all of the knowledge & experience that this team has built up over the last 20 years investing in German real estate.

**Property Acquisition**



**Marco Knoblauch**
**Partner & Head of Asset Management**

**Market Analysis**



**David Healy**
**Partner & Head of Marketing**

**Investment Planning**



**Robert Gansel**
**Chief Financial Officer**

**Mortgage Negotiations**



**Rouven Zinke**
**Head of Property Finance**

**Legal searches**



**Denise Knoblauch**
**Head of Administration**

**Rental Index Analysis**



**Sabrina Schwebke**
**Rental Manager**

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