

## **CROMWELL PROPERTY GROUP, IN PARTNERSHIP WITH IGIS, SETTLES DHL LOGISTICS PORTFOLIO**

---

Real estate investor and manager, Cromwell Property Group (ASX:CMW) (Cromwell), in partnership with Korean real estate investment manager, IGIS Asset Management, has announced the settlement of seven DHL logistics assets in Italy for A\$83.3 million (€51 million). This will be funded by a new five-year loan facility of A\$48.7 million (€29.8 million), secured at the property level along with IGIS equity commitments and drawdown of existing Cromwell facilities.

Located in northern Italy, the wealthiest area of the country, near the cities of Milan, Turin, Bologna and Verona, the seven properties are fully let to DHL on long-term leases with an overall portfolio WALT of 16 years.

Two of the seven logistics centres are brand new and built to modern and technologically advanced specifications, while the other five properties are fully compliant with DHL's high standards, having been occupied by DHL since their development.

Cromwell's Chief Investment Officer, Rob Percy, said "In accordance with our 'Invest to Manage' strategy, we will look to use these assets to seed our upcoming Cromwell European Logistics Fund."

"Logistics is a sector that we think has strong and enduring characteristics. Online sales rates in Europe currently average just 8.8%. This is comparatively low when compared to other advanced economies albeit the volume of online transactions is forecast to almost double over the next decade."

"If anything, we believe COVID-19 is likely to accelerate changes in consumer behaviour and pull this growth forward, giving further impetus to the broader logistics sector and last-mile logistics in particular," he added.

"The Fund will therefore have multiple different growth avenues to realise value. These include infrastructure (re)developments, which open up new locations and expand existing ones; a low sub-5% market vacancy rate, which provides opportunities to capitalise on future rental growth; and lastly, the need to replace and upgrade existing stock to satisfy pent-up and growing demand for assets in the right locations."

"Cromwell is targeting to retain an eventual 20% stake in the Fund," Mr Percy concluded.

Authorised for lodgement by Lucy Laakso (Company Secretary) and Michael Wilde (Chief Financial Officer).

Ends.

---

### **Media Enquiries:**

Honner Media

Paul Cheal / Jessica Effeney

+61 (0) 427 755 296 / +61 (0) 400 998 373

[paul@honner.com.au](mailto:paul@honner.com.au) / [jessica@honner.com.au](mailto:jessica@honner.com.au)

## **ABOUT CROMWELL PROPERTY GROUP**

Cromwell Property Group (ASX:CMW) is a diversified real estate investor and manager with operations on three continents and a global investor base. As at 30 June 2020, Cromwell had a market capitalisation of \$2.4 billion, a direct property investment portfolio valued at \$3.0 billion and total assets under management of \$11.5 billion across Australia, New Zealand and Europe.