

Press cutting

Client: Deutsche Finance International

Publication: EuroProperty

Date: 5 December 2019

PRIVATE EQUITY FIRM MAKES KEY HIRE FOR LONDON AND EUROPEAN DEVELOPMENT PROJECTS

 In News  21:15, 05 December 2019  By Jane Roberts



Deutsche Finance International has hired a development expert to work on the pan-European firm's developments and to source opportunities.

Oliver Gardiner (pictured, left), formerly of Mace Developments and Land Securities, has joined in London. A key focus for him will be assisting in the transformation of London's 133-year-old Olympic Exhibition Centre and surrounding 14-acre site, along with DFI's partner managing the project and the leader on the development, YOO Capital.

The Olympia project will start on site next year, said DFI co-founder and co-managing partner Gavin Neilan (pictured, right). It has planning consent and the owners are believed to be close to securing circa £875 mln of development finance from Goldman Sachs.

Neilan declined to comment on the debt finance but said: 'Olympia is backed by two of Germany's biggest institutional investors, so from a funding perspective it is a very well funded project. With regard to financing it is natural for us to explore our options to maximise the financing with a development loan and there are conversations ongoing in that regard.'

DFI is part of Deutsche Financial Group, the Munich-based private equity and real assets company. The make-up of the consortium which acquired Olympia in 2017 for £296 mln includes Bayerische Versorgungskammer (Germany's largest manager of public pension schemes) investing through a fund managed by Universal-Investment, the Versicherungskammer Bayern Group (Germany's largest public insurer) and DFI European Value Add Fund.

Neilan said there has been 'a strong response from the operator and occupier market for the multiple different uses.' These elements include cultural and entertainment attractions such as a performing arts space, cinema, hotels and food and beverage as well as a business hub featuring 670,000 sq ft of office space and a 200,000 sq ft logistics centre. Cushman & Wakefield and CBRE are the letting agents.

While visitor numbers to Olympia's 200 or so exhibitions and events a year are about 1.5 mln, DFI are projecting 8.4 mln visitors to all the project's attractions when it completes in 2023/2024. Gardiner said: 'The plan is to open the whole estate simultaneously with the exhibitions and events business remaining operational throughout.'

The DFI EVAF fund has made seven investments including Olympia. Among the others are a series of acquisitions for a Danish student accommodation brand called Blaekhus with three assets secured in Copenhagen and more in the pipeline.

'We pursue themes we have heavily researched and student housing has been a key focus for us', Neilan said. 'There are a number of different markets that we consider are undersupplied and Denmark was one.'

The fund is also investing in Spain, Portugal and Ireland.