

Ares Management Announces Sale of its Stake in 40-Property, 1,000,000-Square-Meter Pan-European Logistics Portfolio

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LONDON & LOS ANGELES--(BUSINESS WIRE)-- Ares Management Corporation (NYSE: ARES) announced today that funds managed by its Real Estate Group have completed the sale of its stake in a 40-property pan-European logistics portfolio to Investec Property Fund, its co-investment partner in the portfolio, for more than €900 million.

Ares began aggregating the portfolio in January 2018, and through 12 separate transactions, grew the portfolio to include 40 properties across 31 locations covering more than 1,000,000 square meters. The properties are generally mid-sized and located near airports, ports, and population centers in the major logistics corridors of six European countries, including Germany, France, and the Netherlands. Since aggregating the portfolio, the joint venture improved occupancy levels to 99% and extended average lease terms.

“In embarking on this aggregation strategy, our objective was to build a scaled portfolio of well-located, income-generating logistics assets with clear value-add potential across Europe’s major logistics corridors,” said Wilson Lamont, Partner and Co-Head of European Real Estate Equity at Ares. “During our two years of ownership, we built a strong relationship with the principals of Investec Property Fund and together, we were able to drive full occupancy, extend lease terms, and mark rents to market, creating value across the portfolio while simultaneously developing approximately 36,500 square meters on surplus land. ”

“The acquisition of the remaining interest in this pan-European logistics portfolio from Ares presents Investec Property Fund with a unique opportunity to execute on our intended strategy to deploy capital into portfolios that have a demonstrated track record, and are capturing growth stemming from positive underlying property fundamentals,” said Joint-CEs of Investec Property Fund, Andrew Wooler and Darryl Mayers. “We have also enjoyed a very positive working relationship with Ares. We are therefore delighted that the experienced in-country asset management team will remain on board and ensure consistency in unlocking value both in the portfolio and in the pipeline.”

Since 1997, the Ares Real Estate Group has been invested in the logistics sector as part of its institutional real estate strategy and has owned and managed over 105 million square feet through more than 50 transactions across Europe and the US.

About Ares Management Corporation

Ares Management Corporation (NYSE: ARES) is a leading global alternative investment manager operating three integrated businesses across Credit, Private Equity and Real Estate. Ares Management’s investment groups collaborate to deliver innovative investment solutions and consistent and attractive investment returns for fund investors throughout market cycles. Ares Management’s global platform had \$149 billion of assets under management as of December 31, 2019 and employs approximately 1,200 employees in over 20 offices in more than 10 countries. Please visit www.aresmgmt.com for additional information.

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