

## In brief

### IGD buys Bologna mall

Italian property firm Immobiliare Grande Distribuzione has bought a newly completed retail mall near Bologna for €81.7m. The SIIQ (Società d'Investimento Immobiliare Quotata) bought the 32,000 m<sup>2</sup> Maioliche mall in Faenza at a net yield of 6.6%.

### CBRE sells Mutual House

CB Richard Ellis Investors has sold Mutual House in London's West End for £30m (€32.5m), a 5.4% yield, to a private overseas investor. The asset offers 27,187 sq ft (2,525 m<sup>2</sup>) of shops and office space.

### Sorgente to launch vehicles

Italian property group Sorgente is to launch three investment vehicles: a Luxembourg-based trust, a Swiss investment fund and a US real estate investment trust.

### O2 lease sold

Quintain and joint venture partner Lend Lease Europe have sold the 999-year lease of the former Millennium Dome in Greenwich, London for £24m (€26m) to Trinity College Cambridge. The asset – now called the O2 – was put up for sale in December for £50m.

### Hermes buys City office

Hermes Property Unit Trust has bought Broken Wharf House in the City of London, a 43,983 sq ft (4,086 m<sup>2</sup>) office building, from Riverview Holdings for £12.7m (€13.7m), a net initial yield of 7.1%.

### Glass firms buy Paris asset

Generali has sold a 2,000 m<sup>2</sup> office asset in central Paris for €17m. The property, in Rue de la Tremoille, was bought by a consortium of crystal and glass companies: Lalique, Daum and Haviland.

## Caja Madrid offers 58 branch offices

Spanish bank Caja Madrid has put 58 branches on the market in a sale-and-leaseback deal.

The bank, which is seeking yields of 6-7%, plans to divide the units into lots of between €1.5m to €3m, which will be marketed to the bank's clients.

The assets may be part of a wider sale-and-leaseback of up to 300 assets due to come onto

the market in three stages.

A second packet of buildings will be bought by the bank's employees' pension fund, while the third lot will be offered to a mix of investors, according to reports in the Spanish press.

Elsewhere in Spain, Spanish construction firm Ferrovial has also put its headquarters

building in Madrid's Principe de Vergara, on the market. Ferrovial, which is reportedly seeking a 6% yield for the building, offered a leaseback rent of €32 per m<sup>2</sup> a month – significantly above the average of €26 for the street.

A consultant said: "You'd be overpaying for the building, which would be a wasting asset."

German insurance company waits for 'right time to invest' in property after last year announcing plans to boost property weighting to 6-8% from 4%

## Allianz struggles to invest €10bn-€15bn into property

German insurance company Allianz has yet to make its first investment in Europe after last year unveiling plans to spend €10bn to €15bn in property.

At last year's Expo Real, the Munich trade fair, Allianz Real Estate's chief executive, Olivier Piani, told a press conference that the newly repositioned real estate business with Allianz' Asset Management unit would help to increase the insurer's property weighting to 6%-8% from 4% at the time.

"We have not invested because we did not want to,"

Piani told journalists at this year's Expo Real.

"But we felt it was not the right time to invest. Today, markets have, if not bottomed out, at least stabilised. Cap rates have increased a lot and they are at reasonable levels. Rents are still declining and remain a worry."

### Piani's main concerns

Piani said rising unemployment and the lack of debt, coupled with refinancing needs, were his main concerns for the property market.

Piani said that Allianz Real Estate had looked seriously at two or three deals a week over the past year. The company made a bid in 10 deals without securing the property.

Allianz is interested in prime properties, which are seen as a safe haven in uncertain times. The company said it is close to buying a prime building near La Défense in Paris. In Germany, Allianz next year hopes to sell between €300m and €400m worth of smaller assets, having so far sold €60m.

## BNP Paribas bank syndicate helps SFL clear its books

French REIT Société Foncière Lyonnaise has been given a €300m loan by a banking syndicate led by BNP Paribas.

SFL agreed the five-year loan with eight banks as part of its plan to make further investments and clear debt from its books.

As well as BNP Paribas, the syndicate also includes Calyon, Crédit Agricole, HSBC and Société Générale.

SFL recently agreed a joint venture with Crédit Agricole insurance subsidiary, Predica. The two companies have taken a 50%-stake in Parholding, which holds two mixed-use Paris central business district properties worth around €200m.

The 12,500 m<sup>2</sup> and 12,900 m<sup>2</sup> assets are located in Boulevard Haussmann and Champs Élysées respectively.

French property company Les Docks Lyonnais has been given €180m in re-financing by a syndicate of banks including Calyon and DekaBank.

The Paris-based company received the financing against its Tour Mozart asset, the former Electricité de France tower in the south west of Paris. Les Docks Lyonnais paid €484m for the tower in April 2007.