

Purchase of the *Glatt shopping centre*

The Swiss Life Investment Foundation and Swiss Life REF (LUX) Commercial Properties Switzerland, FCP-SIF are acquiring substantial co-ownership shares.

Transfer of ownership of the Glatt shopping centre was completed on 1 October 2020. Swiss Life has acquired the Glatt centre from the Federation of Migros Cooperatives for its selected third-party investment vehicles. The new Glatt centre co-owner community consists of five established investment vehicles managed by Swiss Life Asset Managers. This gives investors access to a unique investment property with an attractive risk-return ratio.

Switzerland's best-selling shopping mall

With sales in the region of CHF 600 million and retail space of 53000 square metres, the Glatt centre in Wallisellen, Zurich, was one of Switzerland's largest and most popular shopping malls in 2019. This is also reflected in its surface area productivity, which is easily the highest of any Swiss shopping centre¹, as well as in the waiting list of prospective tenants. With 14 restaurants and bars, the Glatt centre boasts a wealth of catering options. It is home to traditional Swiss brands and is often the venue for international brand launches. Little wonder that it was chosen as the site of Switzerland's first Apple Store. Excellent public transport connections and the 4500-plus free parking spaces make the Glatt centre in Wallisellen an attractive destination for the whole of German-speaking Switzerland.



The Glatt centre occupies one of Switzerland's most accessible locations.



The Glatt centre has become a place for social encounters.

Migros committed to the location

The sale will not have any further repercussions for Glatt centre tenants. Migros is firmly committed to the attractive Glatt location and, in view of the long-term leases it holds there, will maintain a major presence for its customers.

The Glatt centre's management team, consisting of around 50 employees, has been integrated into Livit (part of Swiss Life Asset Managers) as an autonomous sub-unit. Livit can thus draw on the team's extensive know-how and many years of experience in managing the shopping mall. Swiss Life will drive the Glatt centre's successful development, strengthening its position as an outlying Zurich district in its own right and enhancing its value as an attractive investment.

¹Source: Shopping Center Marktreport Schweiz 2018

Solid prospects for the future

Structural change in the retail trade has been accelerated by Covid-19. In this context, established shopping centres are also having to reposition themselves time and again. The Glatt centre already transformed itself into a mixed-use destination at an early stage through a targeted expansion of its range of services in the fast-growing areas of leisure, entertainment, wellness, medicine, beauty, health and gastronomy. This focus on services goes hand in hand with the mall's transformation into a venue for social encounters, i.e. a place where people and personal interaction are centre-stage. This ensures that footfall remains high: around 9.1 million customers visit Glatt every year. There are waiting lists for potential shop tenants, and this has not changed as a result of COVID-19.

Solid reasons for an investment:

- Switzerland's highest-turnover shopping centre with sales of CHF 600 million (2019)
- Embedded in one of the most dynamic regions of the greater Zurich area with optimal transport access (approximately 30% of the Swiss population can reach the centre in 45 minutes)
- Clear positioning and focus on the high-growth areas of leisure, entertainment, wellness, medicine, beauty, health and gastronomy
- High diversification with more than 100 tenants and a broad mix of uses
- Attractive risk-adjusted return
- Average contract term (WAULT) of 4.7 years
- Long waiting list of interested tenants
- Buildings sustainably designed and in excellent condition
- Integrated Center Management team with many years of expertise

Five strong partners with a long-term investment horizon

The new Glatt centre co-owner community consists of five established investment vehicles that are managed by Swiss Life Asset Managers and have a long-term investment horizon.

- Real Estate Switzerland investment group (co-ownership share: 41%)
- Commercial Real Estate Switzerland investment group (co-ownership share: 26%)
- Swiss Life REF (LUX) Commercial Properties Switzerland, FCP-SIF (co-ownership share: 19%)
- German investment vehicle (co-ownership share: 7%)
- French investment vehicle (co-ownership share: 7%)

The two investment groups of the Swiss Life Investment Foundation are aimed at tax-exempt employee benefits institutions in Switzerland. Swiss Life REF (LUX) Commercial Properties Switzerland, FCP-SIF is open to qualified investors. The last two investment vehicles are distributed in Germany and France respectively. The high-rise office block that was also acquired has been structured as a separate owner-occupied property and is integrated into the insurance portfolio of Swiss Life Ltd.

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The circle of investors in investment groups is limited to pillar 2 and pillar 3a institutions and other tax-exempt institutions domiciled in Switzerland set up for the purposes of occupational provisions and persons who administer collective investments for such institutions, are supervised by the Swiss Financial Market Supervisory Authority and exclusively invest funds for these institutions with the foundation. All documents on the investment groups which form the legal basis for any investment decision can be obtained free of charge from the Swiss Life Investment Foundation, P.O. Box 8022, Zurich, tel. 043 284 79 79.

Comprehensive information on Swiss Life REF (LUX) Commercial Properties Switzerland, FCP-SIF can be found in the documents which form the legal basis for a possible investment. These are available free of charge in electronic or printed form from the representative in Switzerland: Swiss Life Asset Management Ltd, General-Guisan-Quai 40, 8002 Zurich. The payment office is UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich. The fund is domiciled in Luxembourg.