

Mipim Special

Corporate real estate as a capital source

Schätzungsweise 2,2 Billionen Euro Kapital haben europäische Unternehmen in ihrem Immobilienvermögen gebunden. Häufig wird es als „Tafelsilber“ oder steinerne Reserve gehütet, statt die gebundenen Mittel für die Expansion zu nutzen, klagt der Autor. Einen Verkauf scheuen viele auch deshalb, weil sie die Kontrolle über ihre Liegenschaften behalten wollen, die zumeist auch die Produktionsanlagen beherbergen. Doch mit der strengen Regulierung des Kapitalmarkts und der Banken müssen auch die Unternehmen ihr Liquiditätsmanagement überdenken. Sale-Leaseback-Transaktionen mit privaten Investoren können eine Alternative zu Anleihen und Krediten sein. (Red.)

The last year has seen a noticeable growth in the use of corporate real estate as a capital raising tool with many organisations choosing to exploit their operational assets as a source of asset-based financing. The global economic adjustments have meant the European real estate market is generating extensive opportunities for profitable investment.

Credit markets continue to be constrained leading to a decline in leveraged acquisition activity over the past few years. However, established companies with strong management and a solid business strategy are still finding real estate asset-based financing a practicable source of funding. Many real estate investors now tend to move away from traditional high leverage deals to a more income-oriented approach, as traditional capital gains strategies become largely

unavailable due to these tightened credit conditions.

Restructuring balance sheets and expansion strategies

A long term sale-leaseback transaction and similar forms of asset-based financing offer companies the ability to unlock the full value embedded in corporate real estate. This capital can then be re-deployed for a range of purposes from restructuring balance sheets, paying down existing debt, funding operating costs and supporting expansion strategies.

The long term of sale-leaseback financing, usually a period of 15 to 25 years, coupled with maturing lines of credit and other short and medium term debt maturities, has made real estate asset-based financing an appealing alternative source of capital offering CFOs and senior management the chance to better manage their ongoing financing costs.

W. P. Carey is a global investment management company specializing in long term sale-leasebacks with over ten years experience investing in European corporate real estate. Although the European market is well established in terms of sale-leaseback financing, there is considerable scope for growth with a large supply of investable property. In addition to this, the ratio of freehold to leasehold property is significantly higher than in the US where there has been less of a tradition of companies feeling the need to own their real estate.

The estimated value of the European real estate assets privately held by corporations is estimated to be around 2.2 trillion euros and therefore it would seem that in the wake of the global economic downturn there is great potential for the continued growth of corporate real estate as a capital raising asset.

W. P. Carey has recently seen three examples of the use of long-term sale-leaseback financing. Firstly, for a company needing to pay down debt which entered into a sale-leaseback transaction in order to release the full equity value

held in its physical assets and provided the company with an attractive long-term source of capital. W. P. Carey recently completed a 155 million euros long-term sale-leaseback financing transaction with C1000 B.V., the second largest food retailer in the Netherlands. In this case the company was able to convert illiquid fixed assets into cash with the transaction allowing C1000 B.V. to reinvest the capital into its retail business to support its growth initiatives, pay down debt and optimize its capital structure.

Another example

A second opportunity was with a company looking to restructure and recapitalize its balance sheet. W. P. Carey acquired the headquarters of Distribuidora de Television Digital S.A.U., the largest provider of digital pay television in Spain, in an 86 million euros transaction at the end of 2010. The deal was completed as part of the company's restructuring and debt reduction efforts, which included the sale of a 44 percent stake in the Pay TV business.

Additionally the company entered into an agreement with US-based Liberty Acquisition Holdings Corporation under which Liberty acquired a stake of approximately 30 percent of the parent company Prisa's equity. The sale-leaseback on DTS's headquarters, a critical asset for the business, was the third element in the restructuring and typified the benefits these forms of transaction have for both the owner and the tenant.

The third transaction provided the opportunity for a corporate real estate investment to help a company secure long term financing on its longest term assets. W. P. Carey's acquisition of a portfolio of key retail facilities in Croatia for a total consideration of 49 million euros from Agrokor, the country's largest food producer followed a similar 77 million euros transaction with the company on its key logistics properties. The portfolio was leased on a long term triple-net basis and allowed the company to fund its growth strategy

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in the region with secure long-term financing.

Different traditions

In terms of geographical and sector development, a large source of potential growth lies in Central and Eastern Europe where domestic business expansion is limited by the lack of available capital and where traditional sources of finance are unable or unwilling to lend. W. P. Carey has been an active participant in the European sale-leaseback market over the past decade and is now one of the most established operators having closed a range of transactions across the continent in a variety of industry sectors. Furthermore, governments and municipalities are now considering turning to sale-leaseback financing as an alterna-

tive form of asset-backed long term financing in lieu of more traditional bank-based funding.

Internationally W. P. Carey has built a portfolio of around 266 properties in 16 countries, comprising 32 million square feet of space with a value of circa 2.5 billion euros. The significant rise in European sale-leaseback transactions is evident when considering that in 2004, when the current wave of deals began, the total volume of sale lease-back transactions was 6.9 billion euros, however when compared to 2010, the volume of deals had risen to an estimated 55 billion euros.

Risk management works both ways when it comes to asset-based financing transactions. The investor needs to assess the strength of the current and projected financial position of the corporate ten-

ant as well as its current and planned business strategy, its management team, the company's industry and the strength of its position within that industry. Likewise, the financial strength and structure of the landlord entity, its track record in the asset-based financing industry, the investment objectives and strength of its capital resources and its ability to understand and address the financial needs of the selling company's industry, business and operations must be critically evaluated by the corporate user.

A key to successfully structuring these types of transactions is the investment objective of the capital source providing funding. REITs and investment funds committed to sale-leaseback and related asset-backed investment strategies that are focused on generating steady income over the longer term are an ideal source.

Deutsches GmbH-Recht in französischer Sprache

Die nach wie vor häufigste Gesellschaftsrechtsform in Deutschland, der Gesellschaft mit beschränkter Haftung (GmbH), wird in diesem Buch in französischer Sprache dargestellt. Die grundlegende Überarbeitung und Erweiterung wurde durch die zahlreichen Gesetzesänderungen seit dem Erscheinen der zweiten Auflage im Jahr 2000 erforderlich, insbesondere die durch das „MoMiG“ vom 23. Oktober 2008 eingeführten Neuerungen, durch die die GmbH für Gründer noch attraktiver werden soll.

Dem beschreibenden Teil schließt sich eine synoptische Übersetzung des GmbH-Gesetzes an, die einen wesentlichen Teil des Buches darstellt. Der dem Gesetzestext folgende umfangreiche Anhang ist ebenfalls synoptisch angeordnet, mit den Gründungsunterlagen nebst Musterstatzung, einem Handelsregisterauszug und der Gliederung der Bilanz und der Gewinn- und Verlustrechnung.

Ein Standardwerk für Juristen, Steuerberater, Gesellschaften, Investoren, aber auch Privatpersonen, die im Rahmen deutsch-französischer Beziehungen tätig sind und Zugang zum deutschen GmbH-Recht erlangen wollen.

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