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Akara Swiss Diversity Property Fund PK: increase in return on investment to 2.12% in first half of 2024 (HY 2023: 0.82%)

- **Outperformance of 1.70% versus KGAST Immo-Index Mixed calculated over one year**
- **Reduction in vacancy rate to a record low of 1.85% (HY 2023: 3.55%)**
- **Increase in net yield on completed buildings to 3.17% (2.86%)**
- **Realised capital gains from sales of CHF 11 million (CHF 0 million)**
- **Increase in EBIT margin to 75.47% (72.54%)**

In the first half of the year to 30 June 2024, the Akara Swiss Diversity Property Fund PK («Akara Diversity PK») generated a return on investment of 2.12%. This figure comprises a solid cash flow yield of 1.49% and stable capital growth of 0.63%. Since its launch in 2016, the fund has cumulatively outperformed the KGAST Immo-Index Mixed by 7.88%. The portfolio continues to grow and comprised 158 properties with a total value of approximately CHF 2.8 billion at the mid-point of 2024.

The Akara Diversity PK remains an attractive investment that enjoys a high level of confidence among investors. The 12th capital increase in May/June 2024 gave the fund CHF 45 million in new equity. Another investment opportunity will be offered in the second half of 2024; details will follow in due course.

Further development of the portfolio under the «buy and manage» approach

In the first half of 2024, the Akara Diversity PK portfolio was further developed in line with the proven «buy and manage» approach. Strategic purchases, sales, operational improvements and successful new lettings increased the net yield on completed buildings to 3.17%. Net revenue and the average property size also increased, while the vacancy rate fell by 170 basis points to a historic low of 1.85%.

Further efforts will be made to unlock additional potential in existing properties through active management. An external analysis has shown that market rents for existing residential properties in the portfolio after investments lie between the 60th and 70th percentiles. The current target rents are in the 40th to 50th percentiles.

Strategic purchases and sales increase WAULT and gross and net yields

In the reporting period, the fund acquired four properties with a total value of about CHF 120 million and sold six properties for approximately CHF 86 million. A further sale was certified on 1 July 2024. The newly acquired properties in Mendrisio (TI), Montagny-près-Yverdon (VD), Cointrin (GE) and Muri (AG) are fully let to long-term, creditworthy tenants. Two of the four properties were acquired through a sale-and-rent-back transaction, with indexed leases for 15 years and



three extension options. The acquisitions have also strengthened the fund's ESG efforts, as the properties in Muri and Mendrisio are equipped with photovoltaic (PV) systems. The property in Muri also features carbon-neutral heat production, and a «green lease» agreement has been signed with the tenant. The property in Cointrin is Minergie-certified.

In the first half of 2024, the Akara Diversity PK capitalised on the high market demand for smaller residential properties in Zurich, Zug and Bern, and sold five properties for less than CHF 10 million. In addition, the expanded residential property in Meyrin (GE) was successfully placed on the market. Overall, these transactions made a positive contribution to increasing the average WAULT and gross and net yields.

Active further development of sustainable construction projects

The 99 apartments in «Leo» – the second construction phase of the «Leuen Waldegg» project in Uitikon-Waldegg (ZH) – are already fully let and will be occupied between 1 September and 5 October 2024. The apartments were let at rents 20% higher than originally planned. The 50 condominiums in the final phase, «Leandro», will be completed next spring and are already being marketed.

Two new-build projects in Zurich, at Oberwiesenstrasse 63 and Moosstrasse 39, were completed and fully occupied in spring 2024. The total renovation of Dörflistrasse 115 in Zurich-Oerlikon has also been completed. The properties at Oberwiesenstrasse 63 and Dörflistrasse 115 were sold fully let in June 2024.

Detailed information and presentation

The semi-annual report, along with a recording of the presentation on the semi-annual financial statements, can be found on our [website](#).

Akara Diversity PK fund profile

Akara Diversity PK, which comprises total fund assets of about CHF 2.8 billion, is open to tax-exempt pension funds and tax-exempt social insurance and compensation funds registered in Switzerland. Investment funds may also invest if their investor base consists solely of the above-mentioned tax-exempt institutions domiciled in Switzerland. The valuation of the shares is based on the NAV without premiums/discounts, which reduces volatility. Investment is made in existing properties and development and construction projects with residential or commercial usage types (50%, ±15 percentage points) throughout Switzerland. It aims to achieve a steady and attractive distribution, long-term value growth and broad diversity. Most properties are held directly.



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