



PRESS RELEASE

Amsterdam, 28 February 2019

Arcona Property Fund N.V. reaches highest occupancy in Czech Republic

Arcona Property Fund N.V., the exchange-listed fund that invests in commercial property in Central Europe, has agreed the letting of the remaining 260m² of office space in its Palmovka office building in Prague, taking the building up to full occupancy.

In addition, the Fund has exercised its option to extend by one year, from 1 March 2019, the € 4.7 million loan from Real Estate Central Europe on three supermarkets in Poland.

Psyma Praha, s.r.o. (Psyma) has taken a lease on the entire fifth floor of the Palmovka property in Prague 8 for a five year term and will take occupation on 1 April. The agreed rental level is 7.4% above the estimated rental value as at 31 December 2018.

The overall occupancy level of the Czech real estate portfolio of the Fund increases through this letting to Psyma in Palmovka by 2%, to 97.9%. Guy Barker, director of the Fund Manager Arcona Capital Fund Management, commented: “Strong economic growth and historically high levels of employment are continuing to drive the real estate markets in the Czech Republic. With a modest development pipeline in Prague and Brno we see good potential for rental growth going forward, particularly in the office sector”.

Arcona Property Fund has exercised the option to extend the expiring loan of EUR 4.7 million from Real Estate Central Europe by one year, to 2 March 2020. The loan had been provided to the Fund for the acquisition of retail centres in Poland in 2017. The interest rate will now be 6%, up from 1%. With no further extension options, the loan must be refinanced by 2 March 2020.

PRESS RELEASE ENDS

Arcona Property Fund N.V. invests in commercial property in Central Europe. Shares in the Fund (ISIN-code NL0006311706) are tradeable daily via Euronext Amsterdam as a closed-end investment fund.

For more information:
Arcona Capital Fund Management B.V.
Tel: 0031 - 20 – 820 4 720
E-mail: info@arconacapital.com
www.arconapropertyfund.nl