Swiss Central City Real Estate Fund



Real Estate Snapshot



The fund management of the «Swiss Central City Real Estate Fund» invests directly in cyclically resistant properties in inner-city and central locations in large urban districts throughout Switzerland. Thanks to sustained demand, first-class properties in central locations retain their value and often act as an anchor of stability in a crisis. The focus of the investment policy is on a long-term asset accumulation that is diversified according to type of use and property characteristics.

Investment Case

In the 2023 reporting year, the fund was able to implement important measures in the portfolio from an operational perspective with the completion of two residential construction projects at Lindenstrasse 155 in St. Gallen and Luisenstrasse 40 in Zurich, the re-letting of space at Rue du Vélodrome 5A in Geneva with a physiotherapy center and a lease extension with H&M for larger retail space at Greifengasse 36, 38 / Rebgasse 6 in Basel. The market value of the portfolio fell by 6.7% to CHF 573.4 million in the 2023 financial year (31.12.2022: CHF 614.8 million).

The real estate fund, which is listed on the SIX Swiss Exchange, distributed a dividend of CHF 2.10 per fund unit for the 2023 financial year as at 28.03.2024.

The target rental income from the investment properties increased by around 7% to CHF 19.9 million (31.12.2022: adjusted CHF 18.6 million) as at the reporting date and adjusted for the sales made. This is primarily a result of the completed projects in Zurich and St. Gallen. As at December 31, 2023, the share of rental income from residential use was 51%. With the ongoing construction projects "Felsenstrasse 84" and "Unterer Graben 9" in St. Gallen, there is further potential to increase rental income by around CHF 0.4 million, which will be realized in 2024. The vacancy rate (excluding projects) was reduced significantly to a low level of 3.2% (31.12.2022: 4.3%).

Fund details

Sector	Real estate funds
Valor number	44414255
ISIN	CH0444142555
Valor symbol	CITY
Exchange	SIX Swiss Exchange

Selected key financial figures (as per 31.12.2023)

Market value of real estate portfolio	CHF 573.37m
NAV per unit	CHF 103.14
Gross yield excl. projects	3.57%
TER _{REF} (GAV)	0.73%
TER _{REF} (MV)	1.28%
Management Fee	0.45%
Borrowing ratio	30.25%

Performance in % Data as per 31.03.2024 (Base: 100)

Geographical breakdown as at 31.12.2023

9%

17%

9%

13%

2%



29%

21%

Basel-City

Zurich

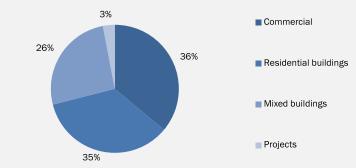
Geneva

Lucerne

St. Gallen

Bern

Total portfolio by type of use as at 31.12.2023



Peer analysis

	Markets	Market value properties		Price	Premium	Borrowing Ratio	Dividend			ROE		Performance				
	Marketv	alue properues	31.03.2024	31.03.2024	Freinium	Bollowing Kano	Yield	Payout Ratio	adjusted	excluding Revaluations	price adjusted	YTD	2023	2022	2021	2020
ZIF Real Estate Direct Switzerland	CHF	1'382m	105.01	114.50	9.0%	26.3%	2.40%	100.7%	2.38%	5.17%	4.74%	2.2%	-4.5%	-9.1%	13.9%	11.3%
CS Real Estate Fund LivingPlus	CHF	3'105m	109.46	148.00	35.2%	21.9%	2.43%	98.9%	2.46%	3.20%	1.20%	5.6%	6.9%	-22.8%	8.2%	17.0%
Swiss Life REF (CH) Swiss Properties	CHF	2'532m	112.47	122.50	8.9%	26.1%	2.12%	95.6%	2.22%	2.35%	2.16%	1.7%	3.6%	-8.7%	6.8%	3.6%
Swisscanto (CH) REF Responsible IFCA	CHF	1'881m	127.95	170.50	33.3%	23.2%	2.17%	96.5%	2.25%	2.93%	2.20%	7.9%	8.9%	-13.4%	4.3%	21.1%
IMMOFONDS	CHF	2'200m	404.91	568.00	40.3%	26.8%	2.38%	99.9%	2.38%	3.32%	2.37%	9.2%	2.4%	-13.3%	18.3%	11.8%
Swissinvest Real Estate Fund	CHF	1'233m	157.80	194.00	22.9%	25.6%	2.35%	104.0%	2.25%	2.56%	2.08%	5.4%	4.0%	-14.8%	13.8%	12.7%
SF Sustainable Property Fund	CHF	1'450m	117.35	122.50	4.4%	25.8%	2.61%	106.4%	2.46%	2.36%	2.26%	1.8%	0.9%	-14.3%	0.1%	10.3%
UBS Swiss Residential «Anfos»	CHF	3'182m	63.94	87.80	37.3%	19.6%	2.05%	93.3%	2.20%	2.80%	2.04%	7.6%	10.6%	-16.8%	5.5%	22.5%
Good Buildings SREF	CHF	359m	118.38	136.50	15.3%	27.0%	2.93%	111.0%	2.64%	3.23%	2.80%	3.4%	1.5%	-6.3%	18.6%	10.5%
ø						24.7%	2.38%	100.7%	2.36%	3.10%	2.43%	5.0%	3.8%	-13.3%	9.9%	13.4%
Swiss Central City REF	CHF	573m	101.55	75.00	-26.1%	30.3%	2.80%	99.8%	2.81%	1.90%	2.57%	1.5%	-24.8%	-13.6%	15.7%	5.1%

Source: Bloomberg; Bank J. Safra Sarasin Ltd; Annual and Semi-annual financial statements

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