

Record-breaking refinancing of Varso Place – new lenders join the credit consortium

€510 million – this is the current value of the loan granted for the refinancing of Varso Place, HB Reavis's largest investment in central Warsaw. The existing credit consortium of five banks was supplemented by PKO Bank Polski and Erste Group Bank AG, allowing an increase of €35 million in financing on improved terms.

The existing record breaking €475m million loan, the largest ever non-portfolio (exclusively related to the Varso Place project) commercial real estate financing in CEE, was refinanced for a five-year term for a total of €510 million, divided between two facilities; €258 million for Varso Tower and €252 million for the Varso 1 and Varso 2 office buildings. The consortium includes seven banks: Santander Bank Polska – Loan Agent (€100 million), Helaba (€100 million), Bank Pekao S.A. – Security Agent (€89,5 million), Berlin Hyp (€40 million), Deutsche Hypo – NORD/LB Real Estate Finance (€40 million), PKO Bank Polski (€85,5 million), and Erste Group Bank AG (€55 million).

*- A project of such scale and prestige requires the involvement of large and credible financial partners. Their trust and improved conditions within financial markets allowed us to increase the financing amount from €475 million to €510 million and enabled us to secure better financing terms. This transaction also underscores HB Reavis's position in the region as a strong European player in the design, construction, and management of real estate, said **Tomas Krajcir, CFO, HB Reavis.***

*- Participation of PKO Bank Polski in the finance consortium for Varso Place demonstrates our dedication to supporting premier commercial developments and confidence in their long-term prospects. Varso Place is one of the most modern and sustainable projects in Poland, which is evident in the strong interest from tenants in the office sector. By supporting such investments, we affirm the strategic direction of the real estate market, driven by innovation, sustainability, and excellence – said **Agata Gola, Head of Property Finance at PKO Bank Polski.***

*- On behalf of the banks financing the project since 2018, we are pleased to welcome PKO Bank Polski and Erste Group Bank AG to the consortium - said **Brendan Long, Head of Corporate Property Finance Department, Santander Bank Polska (Loan Agent).***

*-The addition of new banks confirms the stable position of Varso Place, which, despite changing market conditions, remains of interest to many financial institutions – said **Dieter Lobnig, Head of the Investment Banking and Real Estate Finance Department, Bank Pekao S.A. (Security Agent).***

The favourable stance of financial institutions towards the Varso Place project reflects its high potential. *-We offer space in the most sought-after location, combining innovative solutions aligned with sustainability principles with responsible, partnership-based property management. This has significantly contributed to the high level of commercialization of the project, making Varso Place attractive not only to tenants but also to financial institutions,* said **Cezary Błaszczuk, Managing Director, HB Reavis Poland.**

Located in the heart of Warsaw, Varso Place consists of three multifunctional buildings with office and retail/service space, totalling 144,000 square meters of lease area. In 2022, the latest addition, Foster + Partners' 310-meter tower Varso Tower, was completed. It has become widely known as the tallest building in the European Union, featuring a panoramic rooftop terrace for tourists visiting Warsaw. All buildings of Varso Place are certified under BREEAM (Outstanding) and WELL (Gold) standards and have received numerous awards and distinctions for best development in the commercial real estate sector in Poland and Central Europe.

In the transaction, banks were advised by DLA Piper and Arcadis.

HB Reavis designs, develops and manages exceptional mixed-use properties in outstanding locations across Europe. Since 1993, we've delivered more than 1.6 million sq. m of real estate and currently look after 607,000 sq. m of space in the UK, Germany, Poland, Slovakia and Hungary. We are dedicated to creating and managing places that work for people and planet. Remarkable experiences, designed for community connection, social value and the wellbeing of our clients.