

**MERCUREIM EF1**  
**MANAGEMENT NOTE**  
**March 2021**



**MIMCO**  
Capital



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# MERCUREIM EF1

As a reminder, the Mercureim EF1 fund closed on 01/04/2019 with more than 42 Million euros of equity. Following the great success with investors, the closing of the fundraising took place several months ahead of schedule. The investment period closed on 31/12/2019.



## EDITORIAL

Dear shareholders, dear partners,

In a health and economic context influenced by the Covid-19 epidemic, we continued to observe a non-significant impact on our assets located in Germany.

Following a government decision, the regulations relating to the rights of tenants who have an activity and are forced to cease it as part of government announcements were modified, giving them the possibility of not paying up to 50% of their rents. Under these conditions, since December 2020, we entered into negotiations to recover unpaid rent, either by recovering the unpaid amount smoothed over several months or by signing a lease renewal for a firm period.

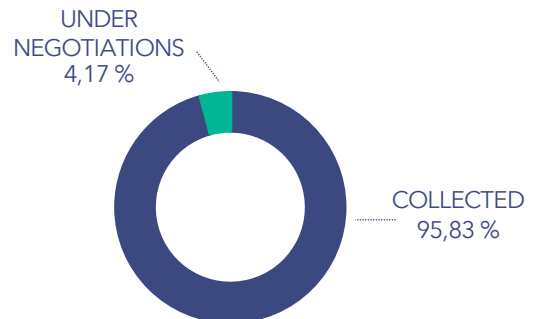
We would like to assure you that all the MIMCO Capital teams remain mobilized for the continuation of the divestment operations of your fund under the best conditions.

MIMCO Capital  
Management

## COVID-19 IMPACT ON FUND ASSETS

In the second quarter of 2020, following the Covid-19 outbreak, negotiations were initiated with tenants to defer rent for the closing period. During the fourth quarter of 2020, a change in regulations concerning rents impacted by the Covid-19 epidemic required us to reassess the number of rents of our tenants who were forced to close their stores.

Since January 2021, more than 2.1 Million euros have been paid and approximately 428.000 euros have been cancelled or postponed on an amount of more than 2.5 Million euros in gross rent, which represents 4,17% of annual uncollected rents. Negotiations with tenants are underway to recover rents, either by smoothing payments over several months or by signing lease renewals over a firm period.



Valuation of the Mercureim EF1 portfolio as of 31/03/2021

**102.766.080,37 €**

## Portfolio overview

As of March 31, 2021, the fund is diversified under two categories: "Core"\* assets up to 36% and "Value-Added"\*\* assets up to 64%.

CORE  
36%



VALUE-ADDED  
64%

\*Core: Assets benefiting from stable cash flows with firm leases of more than 6 years. Low valuation potential.

\*\*Value-Added: Assets with significant valuation potential.



## EVOLUTION OF ASSETS UNDER MANAGEMENT

### o Zweibrücken

For this asset located in Zweibrücken, a works budget of EUR 310.000 has been approved, either in anticipation of the extension of existing leases or for the entry of new tenants.



### o Neubrandenburg

Works amounting to EUR 80.000 are planned on this office asset located in Neubrandenburg, with a view to extending existing leases and welcoming new tenants



### o Wismar



A permit application has been submitted for the renovation of this building in Wismar, occupied by food retailers.

### o Moers



Following the signing of new leases at the end of 2020, for a surface area of 178 sqm, works have been undertaken to welcome future tenants.

### o Dorsten

With new tenants expected to enter Dorsten's asset, a budget of EUR 185.000 has been voted to make improvements to the apartments.



The entire MIMCO Capital team thanks you for your trust and is at your disposal for any information.

Please believe, Dear shareholders, Dear partners, in the expression of our best wishes.



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