
RASCHKE VON KNOBELSDORFF HEISER is advising the German real estate group DEMIRE in connection with its public takeover of Fair Value REIT-AG

31 July 2015

RASCHKE VON KNOBELSDORFF HEISER (RKH) is advising the stock-market listed DEMIRE Deutsche Mittelstand Real Estate AG (“DEMIRE”) in connection with its voluntary public takeover offer to all shareholders of Fair Value REIT-AG (“Fair Value”). This is the first takeover offer for a listed REIT company in Germany. The takeover offer is being structured as an exchange offer. DEMIRE intends to offer new shares in consideration for the Fair Value shares tendered in the process of the takeover offer. The new DEMIRE shares shall be created by a capital increase in kind to be resolved upon by an Extraordinary General Meeting of DEMIRE.

Shortly prior to the publication of the decision to submit a public takeover offer on 31 July 2015, DEMIRE and Fair Value entered into a business combination agreement in which both companies have stipulated their current understanding in terms of the execution of the takeover offer and the general support of the takeover offer by the management board of fair value-REIT-AG. In addition, DEMIRE has already secured approx. 23,21% of the shares and voting rights of Fair Value by corresponding tender agreements with package shareholders.

The objective of the takeover is to create a significant player in the German stock market-listed real estate sector with a stable rental profile and to establish a leading holder of office, retail and logistics properties in German secondary locations. Following a successful completion of the takeover offer a leading listed commercial real estate group will be created, with a portfolio totaling around 175 commercial real estates, a rentable area of approx. 1.1 million square meters and a portfolio value of EUR 1 billion.

DEMIRE is being advised by Dr. Kristian J. Heiser and Dr. Dominik Ziegenhahn (both in the Lead, Partners, Corporate/M&A, Capital Markets), Prof. Dr. Christian Möller (Of Counsel, Tax) and Dr. Jan Hermann (Associate, Corporate/M&A). ODDO SEYDLER BANK AG, who is advising on capital markets questions and the technical aspect of the implementation of the takeover offer, has mandated a team of Taylor Wessing, consisting of Ulrich Reers (Lead), Christoph Vaupel und Dr. Lars-Gerrit Lüßmann, for the draft of the securities prospectus and further questions relating to the takeover process. The Target Company is being advised by a Frankfurt team of Latham & Watkins.

Background

RASCHKE VON KNOBELSDORFF HEISER (RKH) is a Partnership of Lawyers with ten Attorneys-of-law. The law firm was established in 2005 by a spin-off from Freshfields Bruckhaus Deringer and is today one of the leading corporate/M&A-boutiques in Germany. Focusing on high-end legal services the law firm concentrates on advising German and foreign clients in complex corporate matters, corporate transactions and corporate litigation. The firm's clients include well-known family-owned companies, German and international industrial and commercial groups, private equity firms as well as banks and other financial service providers.

RKH partner Dr. Kristian J. Heiser is regularly advising DEMIRE Deutsche Mittelstand Real Estate AG in connection with M&A transactions as well as in capital markets and stock corporation law matters. RKH partner Dr. Dominik Ziegenhahn has been involved to cover the public takeover law related questions. Both, Dr. Kristian J. Heiser and Dr. Dominik Ziegenhahn have already worked together in public takeover procedures in their previous law firm, Freshfields Bruckhaus Deringer.

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