

**Press release**

**MEDICI LIVING to assemble €1bn co-living portfolio**

- **Largest co-living investment in the world to-date**
- **6,000 co-living rooms planned in European metropolises**
- **Emergence of a new asset class**

Berlin, 12 December 2018 – Berlin-based MEDICI LIVING Group, the largest co-living service provider in Europe, and Frankfurt-listed CORESTATE Capital Holding S.A. (CORESTATE), one of Europe's largest real estate investment managers, have agreed to a Europe-wide cooperation. The aim of the collaboration is to invest €1bn of equity and debt in the co-living sector over the next three to five years. The parties will work together on acquisitions, conception and management of the properties. The cooperation marks the largest investment into the emerging co-living asset class worldwide to date.

"This investment is the breakthrough for co-living in Europe," says MEDICI LIVING founder and CEO Gunther Schmidt. He believes that the new asset class has even greater potential than the already thriving co-working sector. "The residential market is significantly larger than that for office assets. We want to become the WeWork of co-living," he added.

In addition to MEDICI LIVING's current European target markets Germany, UK and Netherlands, the new investment programme will target Austria, Switzerland, Spain and Poland. The focus will be on cities with more than 500,000 inhabitants and properties – existing as well as new-build – with an investment volume of between €20m and €60m. The partners expect the programme to include around 35 assets in total, which the MEDICI LIVING Group will operate under the QUARTERS brand. With its high-quality facilities, QUARTERS targets young professionals and offers a residential and living experience aligned with the needs of the digital natives of Generation Y.

# MEDICI LIVING

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## GROUP

CORESTATE will take care of investment, project development, financing, asset and fund management while the MEDICI LIVING Group will be responsible for the conceptual design and operation of the properties. Already the largest co-living service provider in Europe, MEDICI will add an additional 6,000 rooms to its current portfolio of 1,800 rooms.

Dr Michael Bütter, CEO of CORESTATE: "Urbanisation, young people's desire for community as well as the opportunity to live and work in different cities, are boosting demand for communal residential space. Investment in the co-living segment is characterised by the low risk profile of residential property paired, however, with higher yield expectations. Investors will profit from CORESTATE's Europe-wide expertise in deal sourcing and the operative know-how of MEDICI LIVING."

*(WeWork is the dominant player in the global co-working office market – which is forecast to grow from around 15,000 co-working spaces in 2017 to 3.8 million by 2020 and 5.1 million by 2022, according to US business portal Small Business Labs).*

# MEDICI LIVING GROUP

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## **About MEDICI LIVING Group**

The [MEDICI LIVING Group](#), the largest provider of co-living services worldwide, develops and operates innovative, digitalised residential and co-living space concepts for different target groups with different needs around the globe. For its co-living brands [medici living](#) (student co-living) and [QUARTERS](#) (co-living for young professionals), the group leases existing assets as well as new buildings. Overall, the portfolio of MEDICI LIVING Group encompasses 1,800 rooms worldwide, which are 97% occupied. All residential units are leased long-term and furnished by MEDICI. CEO and founder Gunther Schmidt launched the MEDICI LIVING Group together with Robert Gmeiner and Ferdinand von Fumetti, co-founder and managing director, in 2012.

## **About CORESTATE Capital Holding S.A.**

CORESTATE Capital Holding S.A. (CORESTATE) is an investment manager and co-investor with approximately EUR 25bn in assets under management. As a fully integrated real estate platform, CORESTATE offers its clients combined expertise in the areas of investment and fund management as well as real estate management services. The company operates as a respected business partner of institutional clients and wealthy private investors internationally. CORESTATE is headquartered in Luxembourg and has 42 offices including in Frankfurt, London, Madrid, Singapore and Zurich. The company employs over 730 people and is listed in the regulated market (SDAX) of the Frankfurt Stock Exchange. Further information is available at [www.corestate-capital.com](http://www.corestate-capital.com).

## **Media contacts:**

Bosko Todorovic / Volker Binnenböse  
MEDICI LIVING Group  
Zossener Strasse 55  
10961 Berlin  
Tel: +49 30 20 89 803 – 37  
Mail: [presse@medici-living.de](mailto:presse@medici-living.de)

Tom Zeller / Marie-Noëlle Sbresny  
Managing Partner / Senior Associate  
Feldhoff & Cie. GmbH  
Eschersheimer Landstrasse 55  
60322 Frankfurt am Main  
Tel: +49 69 2648677-15 / -236  
Mobil: +49 176 10430063 / +49 159 01 22 03 98  
Mail: [tz@feldhoff-cie.de](mailto:tz@feldhoff-cie.de) / [ms@feldhoff-cie.de](mailto:ms@feldhoff-cie.de)