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Media release

Zug, 13 September 2017

Varia US Properties AG intends to increase its share capital to exploit further growth opportunities – no significant property damage due to Hurricane Irma

Varia US Properties AG (“Varia” or the “Company”), a real estate company domiciled in Zug, Switzerland, exclusively investing in U.S. multifamily housing with a main focus on secondary and tertiary markets, announced today the intention to increase its share capital with two consecutive transactions in order to further enhance its portfolio and to benefit from the strong investors’ demand for appealing real estate investments.

In a first step, the Company intends to offer newly issued registered shares based on Article 2.3 of the Articles of Association of the Company, which authorizes the Board of Directors to increase the share capital at any time until November 13, 2018, by issuance of a maximum of 665,871 registered shares at market price. Currently, the Company expects this transaction to be completed by the beginning of October, and anticipates generating proceeds of approx. CHF 20 million in cash from a new anchor investor.

Subsequently, the Board of Directors of Varia US Properties intends to ask shareholders to vote on an ordinary capital increase with the participation from existing and new institutional and private investors by means of rights offering. Further details – like the number of shares newly issued, subscription price, subscription period, and subscription ratio for existing shareholders – will be communicated with the invitation to the required extraordinary Shareholder Meeting in Q4 2017.

Patrick Richard, Delegate of the Board of Directors of Varia, said: “Varia had a spectacular first semester with strong acquisitions and high returns. The Company owns more than 8’000 units in 18 different States. We want to continue on that path, to stay present in the US real estate market and to further benefit from promising opportunities in our target markets. With these newly raised proceeds, we will further enhance our property portfolio focusing on secondary and tertiary markets in growing suburban regions in the US by acquiring additional attractive properties. In these markets, the demand for housing currently exceeds the existing offer, thus offering solid return prospects to our existing as well as our new shareholders.”



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Hurricane Irma

Varia US Properties AG has historically a large exposure in Florida and the local property management companies have been very active last week and over the week-end to make sure tenants were safe and assets protected as much as possible against high winds and possible floods during the storm.

Due to its enormous size, Irma affected the whole State of Florida. However, the Company is able to report, at the best of its current knowledge, that it sustained no injury to tenants or staff, nor significant damage to the properties.

The Company is well insured against any property damage and liability claim, but none should be needed for this storm.

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About Varia US Properties AG

Varia US Properties AG is a Swiss based real estate company exclusively investing in U.S. multifamily housing with a main focus on secondary and tertiary markets. Established in 2015, the Company acquires, holds, transitions and repositions properties in the boundaries of metropolitan regions of the U.S. in order to secure rental income and value growth. More information: www.variausproperties.com

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