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Media release

Zug, 22 October 2020

Varia US Properties expects disposition of eleven small properties in Q4 2020 – proceeds will be mostly reinvested to benefit from strong investment opportunities – confirmation of dividend guidance

Varia US Properties AG announced today that its Cardinal portfolio in Florida as well as its Stonegate property in Colorado have been placed under contract for disposition. Both buyers have conducted their respective due diligence and paid the requested deposit. The two transactions are expected to close by early December 2020. The net exit price is expected to be about 10% above the June 30, 2020 appraised value of the assets, and Varia expects a gross Internal Rate of Return (IRR) of more than 25%. The proceeds from the dispositions will be mostly reinvested with the aim to benefit from strong investment opportunities on growing suburban markets in the US.

The Cardinal portfolio comprises 1,209 units, all one-story prefab buildings located in Floridian tertiary markets, and has been acquired in December 2015. The Stonegate property has been acquired in January 2016; it counts 55 Low-Income Housing Tax Credit (LIHTC) units and is located in Pueblo (Colorado). The properties sold do not match anymore with Varia's current investment strategy focusing on larger assets which are located closer to larger metropolitan areas and with an institutional grade.

In addition, Varia confirmed its guidance to pay for the business year 2020 a dividend at least equivalent to the distribution made for the year 2019 (CHF 2.60 per existing share). As for the business year 2019, the dividend for business year 2020 is planned be paid out in quarterly instalments with a true-up to be paid after the 2021 General Assembly. The next fixed dividend payment of CHF 0.50 per share is scheduled to be paid out on 12 November 2020.

Financial calendar

3 rd quarter 2020 update	10 November 2020
Next fixed quarterly dividend payment	12 November 2020
Full-year 2020 results	30 March 2021
Annual General Meeting	29 April 2021



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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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