

# Union Investment buys \$63m building

By **UMA SHANKARI**

[SINGAPORE] German fund manager Union Investment Real Estate has acquired the Applied Materials Building in Changi Business Park Vista for \$63 million for one of its funds, it said yesterday.

The 198,000 square foot industrial facility was

owned by Applied Materials SEA – a supplier of products and services to the semiconductor industry – and is being sold with a sale-and-leaseback agreement. The development was acquired for Union Investment's Unifmmo: Global fund. It has a 30+30-year lease.

Union Investment entered the Singapore market in 2007 with its purchase of Vision Crest's office block and the House of Tan Yeok Nee next door in the Penang Road/Clemenceau Avenue area for a total of \$260 million. It bought the properties from a unit of main-board-listed property group Wing Tai.

The latest purchase adds to the fund's diversification as it is in a business park, Union Investment said.

"Business parks are well sought after by a different tenant profile than the typical CBD tenant," said Stefan Wolf, managing director of Union Investment's Asia-Pacific real estate unit. "It offers us the possibility to diversify our portfo-

lio in Singapore, both in usage and location."

Apart from Applied Materials Building, which will lease back its existing space for one-and-a-half years, other prominent tenants in the building include EMC International and Discovery Channel.

The six-storey Applied Materials Building was designed as an environmentally conscious and intelligent building. It was given a Gold Green Mark award by the Building and Construction Authority in 2008. The building's green features include energy-efficient air-conditioning and lighting systems with functions such as motion sensors for after-hours lighting control and the toilet lighting system.



**Diversification:** Acquiring the Applied Materials Building in Changi Business Park Vista, Union Investment Real Estate says business parks are well sought after by a different tenant profile than the typical CBD tenant