

## US investors and wealth fund find Catalyst for European investment

Pan-European opportunistic investor Catalyst Capital has almost invested Catalyst European Property Fund 1, which raised €230m of equity in 2007/08.

When the firm started talking to investors about a follow-on fund last year it faced two challenges: its two largest investors, Dutch pension fund managers representing around 60% of Fund 1, had either quit fund investing or didn't have capital, while US investors were still leery about Europe.

However, Catalyst managing partner Jonathan Petit says that just as US sentiment on Europe started to improve late last year, it caught the eye of investors across the pond with three big Continental deals.

In Germany, Catalyst Fund 1 bought 30 retail assets for €155m, Catalyst investing €33m and a US investor; thought to be



US sentiment towards Europe began to improve again towards the end of last year, says Catalyst Capital managing partner Jonathan Petit

Townsend Group client New York State Common Retirement Fund, €25m. The balance, plus capital expenditure, came from an €85m pbb Deutsche Pfandbriefbank senior loan plus €21.5m of BAWAG stretched senior debt, at a 3% all-in cost. Catalyst aims to earn a promote from its US partner and return it to Fund 1's investors.

In Belgium, Catalyst looked at Ghent's

678,000 sq ft Zuiderpoort complex for itself, but eventually bought it for sovereign wealth fund ADIA, which it will advise on the property. It was Belgium's largest office deal for years, the vendor being 12 banks that had lent to an Icelandic insurer.

In France, the firm completed the reletting of a 355,000 sq ft Paris office building, now renamed Les Ateliers du Parc, to Amazon for its French HQ. Catalyst bought the asset from Cambridge Place IM in 2011 after tracking it for two years and had renewed McCann's lease in the building. Petit says equity from Fund 1 has been set aside to buy a Warsaw mall and the firm has a position in a potential German mall deal. He also confirms that Catalyst will bid with a partner on the Aspen Irish loan portfolio, which NAMA is selling.