

Instone Steps up Commitment for Affordable Housing by Forming New Subsidiary, nyoo

- *Under the new brand “nyoo”, the company will develop new-build rental apartments in mid-size cities and in metropolitan suburbs*
- *Stefan Dahlmanns, managing director of nyoo, and Kruno Crepulja, CEO of Instone, aware of enormous potential for growth by tapping new markets*
- *Provision of smart new-build homes to boost the appeal of these regions and to help ease the strain on urban housing markets*
- *Team of 30 with in-house planning department and qualified market research already set up at headquarters in Cologne*

Essen/Cologne, 12 October 2021. Instone Real Estate (“Instone”), one of Germany’s leading residential developers, is quickly pushing forward with the development of affordable and viable residential accommodation via a subsidiary recently formed for the purpose. The nyoo brand will significantly increase the share in affordable housing – both in the publicly funded and in the privately financed sectors – through new property developments. As a company active nationwide, nyoo pursues a clear-cut goal: to create affordable and simultaneously smart new-build rental apartments in metropolitan suburbs and in regions that tend to be overlooked in the public debate on the need to increase the affordable housing supply.

Stefan Dahlmanns, the Managing Director of nyoo, said: “Affordable apartments are in short supply not just in Berlin and Munich. Building activities have also lagged far behind demand in many economically prospering regions such as Münsterland, northern Bavaria or the Rhine-Neckar area, and have done so for years. We are aware of enormous demand here. In addition to the focus of our activities in the metro regions, we will therefore devote ourselves particularly to these regions, too, and tap new markets.”

Kruno Crepulja, CEO and chairman of the board of Instone, is convinced that a commitment in this segment offers tremendous growth upside for Instone. And that is not all: “It underscores our ambition to showcase solutions for society’s collective problem of housing shortages, and



to contribute actively to the effort to increase the affordable housing supply in the suburbs of major cities.” Crepulja cited a concrete example to illustrate his point: “The rent burden has become enormous in the metropolises. In central parts of Düsseldorf, the monthly rent inclusive of heating can easily go as high as 2,300 euros. We at nyoo will reduce the rent burden by 30 to 40 percent – while ensuring easy accessibility to the core cities.” Crepulja went on to say: “With nyoo, we respond to the pressing questions of our times. We are therefore certain that this additional offer will enhance the attractiveness of our umbrella brand, Instone, for investors focusing on social-impact and ESG criteria.”

nyoo is Superbly Positioned for Future Growth

More than 30 staff – including from the areas of architecture, property development, finance and construction management services – have now started their jobs at the nyoo head office in Cologne. They are already backed by co-workers in Nuremberg, Stuttgart and Frankfurt. The in-house planning department is also ready to get started. Stefan Dahlmanns: “Our team just keeps on growing. We are glad to see it happen. Everyone aboard knows that we are not just property developers, but that we are taking on a major societal challenge by focusing on affordable housing. Doing something meaningful – having a purpose, so to speak – is extremely important in our line of work, especially for young real estate professionals.”

Drawing on the support of the eight Instone branch offices across Germany, the nyoo team has started to identify opportunities for regional new-build construction projects – using state-of-the-art market research tools and collaborating with partners in the science and research community. Stefan Dahlmanns: “We have the know-how and the network to stay on top of the times and to respond swiftly to demand in a given region.” nyoo intends to achieve the contemplated cost savings essentially by using the following levers, fine-tuned to allow for the differences of each project: maximum standardisation and digitisation of property development and construction processes, smart and cost-optimised residential designs with innovative floor plans, and lower operating costs by implementing, at the least, the KfW-55 sustainability standard and a DGNB green label certification.

As early as 2030, the work of nyoo is to ensure that roughly half of all properties developed by the Instone Group will qualify for the “affordable housing” segment. As of 30 September of this



year, projects that will deliver around 250 residential units were already in an advanced development stage. The project portfolio is supposed to be brought up to a total of 500 residential units by the end of this year.

About nyoo

The stated objective of nyoo is to make smart residential accommodation affordable. Among the most current challenges facing German society is the provision of affordable housing in the country's metro regions. This is where nyoo comes in with a creative, disruptive and clearly proactive approach. By consistently standardising and optimising the entire property development and construction processes, we are creating purposeful, affordable and yet smart residential accommodation. nyoo is a fully-owned subsidiary of Instone Real Estate Group SE, and thus counts among the leading property developers in Germany.

About Instone Real Estate (IRE)

Instone Real Estate is one of Germany's leading residential developers and is listed in the SDAX. The company develops attractive residential and multi-family buildings as well as publicly subsidized housing, designs modern urban quarters, and refurbishes listed buildings for residential use. Buyers are mainly owner-occupiers, private investors intending to buy and let, and institutional investors. Over the past 30 years, Instone Real Estate successfully developed more than one million square metres. Its 437 employees work out of nine different locations nationwide. As of 30 June 2021, the company's project portfolio comprised 52 development projects with an expected total sales volume of c. 6.3 billion euros and 14,338 units.



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