

BMO REP acquires Van Graaf department store in Prague

LONDON, October 5, 2017 – BMO Real Estate Partners (BMO REP), the pan-European property investment and asset management specialist that is part of Canada's BMO Financial Group's £189.3 billion AUM Global Asset Management business, announces the purchase of a high end department store in Prague, which is occupied by Van Graaf, on behalf of its pan-European retail property investment fund. BMO Real Estate Partners acquired the building from MTK Developments, a Vienna-based European real estate firm specialising in value-add investments.

The asset is located on Wenceslas Square 17, Prague's main mass-market shopping street, and comprises 12,000 sq m of rental area over six storeys. This acquisition will allow the fund to diversify its portfolio exposure to Prague all the while benefitting from a secured income stream within a fixed long-lease term of over 28 years.

The transaction, which is BMO's eighth acquisition for the Fund, brings its total portfolio value to over €600 million. The fund was launched in October 2015 having raised nearly €400 million of capital and focuses on high quality retail properties in prime shopping streets within major European cities.

Ian Kelley, Fund Director, Europe at BMO Real Estate Partners commented: "This is one of the best high street retail properties in Prague. The long term lease provides secure, sustainable income from a strong covenant within a market offering strong economic and rental growth forecasts."

Delf Stüven, Chairman, MTK Developments said: "We are delighted to have completed this transaction in cooperation with BMO and look forward to a continued collaboration."

Jerome Feltham Property Advisory, Kinstellar, Atoz and White & Case advised BMO Real Estate Partners on the transaction.

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About BMO Real Estate Partners

BMO Real Estate Partners is a specialist real estate investment manager firm with €6.7 billion of AUM (as at 30 June 2017) across core European markets, employing more than 140 staff, including more than 20 investment managers and over 25 asset managers overseen by a highly experienced and well regarded management team.

It offers investors a broad suite of products specialising in core / core+ strategies with a focus on delivering superior income returns and a track record of performance against key benchmarks throughout market cycles. BMO Real Estate Partners has a strong localised presence with offices in London, Paris and Munich, as well as on-the-ground reach in core European markets including Spain and Italy.

While it retains an independent, agile and entrepreneurial approach to its investment activity, BMO Real Estate Partners is able to call on the support structure and expertise of BMO Financial Group's £189.3 billion Global Asset Management business, which provides deep seated insight into institutional investment landscape and facilitates the adoption of best in class corporate governance and sustainability principles.

About BMO Global Asset Management

BMO Global Asset Management is a global investment manager with offices in more than 25 cities in 14 countries, delivering service excellence to clients across five continents.

Our four major investment centres in Toronto, Chicago, London and Hong Kong are complemented by a network of world-class boutique managers strategically located across the globe: BMO Real Estate Partners, LGM Investments, Pyrford International Ltd. and Taplin, Canida & Habacht, LLC. BMO Global Asset Management is a signatory of the United Nations-supported Principles for Responsible Investment initiative (UNPRI).

BMO Global Asset Management is a part of BMO Financial Group, a highly diversified financial services provider based in North America with total assets of CDN \$709 billion, as of July 31, 2017, and over 45,000 employees. BMO Wealth Management has worldwide assets under management of CDN \$413 billion, as of July 31, 2017.