

TRANSACTION ANNOUNCEMENT

Aareal Bank refinances UK hotel portfolio for Tristan Capital Partners' Fund

Wiesbaden, 7 November 2022 – Aareal Bank has completed a GBP 239.9 million senior loan to refinance the acquisition of a hotel portfolio for an opportunity Fund advised by Tristan Capital Partners, the pan-European real estate investment manager. Aareal Bank acted as sole arranger, facility and security agent for the financing.

Earlier this year Tristan's opportunistic fund European Property Investors Special Opportunities 6 (EPISO 6) acquired a majority shareholding in Raag Hotels Limited which owns the boutique brand "Point A". Comprising 1,387 rooms across nine hotels in London, Edinburgh and Glasgow, the properties are managed and co-owned by Queensway, a family business specializing in European hospitality real estate and operations.

Bettina Graef-Parker, Managing Director Special Property Finance at Aareal Bank, commented: "Hotels in the UK, particularly in London, have been recovering quickly, with performance already nearing pre-pandemic levels, proving the resilience of the sector. We have always believed that quality accommodations for both domestic and international travellers in prime locations will be in constant demand. Hotels therefore remain a key growth driver for Aareal Bank's commercial lending portfolio, and for good reason."

The borrowers were legally advised in this transaction by BCLP, Aareal Bank was advised by DLA and Ogiers for legal matters, while the valuation was carried out by JLL Hospitality.

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Aareal Bank Group

Aareal Bank Group, headquartered in Wiesbaden, is a leading international property specialist. It provides smart financings, software products, and digital solutions for the property sector and related industries, and is present across three continents: Europe, North America and Asia/Pacific. Aareal Bank Group's business strategy focuses on sustainable business success, with environmental, social and governance aspects as an integral part of this strategy. Aareal Bank AG is the Group's parent entity. It manages the various entities organised in the Group's business segments: Structured Property Financing, Banking & Digital Solutions, and Aareon. The Structured Property Financing segment encompasses all of Aareal Bank Group's property financing and funding activities. Here, the Bank supports its clients in making large-volume commercial property investments. The investment properties mostly comprise office buildings, hotels, shopping centres, logistics and residential property, as well as student apartments. In the Banking & Digital Solutions segment, Aareal Bank Group supports businesses from the housing, property management and energy industries as a digitalisation partner – combining extensive advisory services and product solutions with traditional corporate banking services and deposit-taking. Its subsidiary Aareon, the leading supplier of ERP software and digital solutions for the European property sector and their partners, represents the third business segment. Aareon is digitalising the property industry by offering user-oriented software solutions that simplify and automate processes, support sustainable and energy-efficient operations, and interconnect all process participants.