

TRANSACTION ANNOUNCEMENT

Aareal Bank provides €567 million refinancing for pan-European hotel portfolio for Archer Hotel Capital

Wiesbaden, 1 April 2025 – Aareal Bank AG is pleased to announce the successful closing of a €567 million, cross-collateralised pan-European facility to refinance a portfolio of seven hotels in four different European countries for Archer Hotel Capital. This landmark transaction highlights Aareal Bank's expertise in hospitality financing and cross border transactions as well as its commitment to observing ambitious ESG standards.

Archer has been a valued partner of Aareal Bank since the inception of Archer in 2018. Over the years, Aareal Bank has financed various assets for Archer through multiple facilities.

The loan refinances seven premier hotel properties across Europe: Royal Saint-Honoré Paris and Renaissance Paris Vendôme; Renaissance La Défense Paris; Renaissance Amsterdam; Hilton Schiphol Airport; Conrad Dublin; and Sheraton Stockholm.

Together, these properties constitute a well-diversified portfolio of over 2,000 rooms in prime locations within their respective markets. Archer Hotel Capital self manages most of the assets in the portfolio under Marriott franchises and two assets are managed by Hilton International.

Archer is committed to building a high quality, environmentally and socially responsible hotel portfolio in Europe. This financing will fund ESG-focused capital expenditures dedicated to achieving the highest possible sustainability accreditations for the majority of the assets in the portfolio. This milestone further solidifies Aareal Bank's leadership in ESG-driven financing solutions for the luxury hospitality sector.

Bettina Graef-Parker, Managing Director Special Property Finance at Aareal Bank, commented: "We are proud to strengthen our long-term partnership with Archer Hotel Capital with this complex transaction. We are particularly pleased to support our valued client in unlocking lasting value by carrying out asset improvements with a strong focus on ESG considerations. By integrating ESG criteria into the financing structure, we support the sustainable development of prime hotel assets in major European cities."

Matt Tanner, CFO of Archer Hotel Capital, noted: "Our long-standing partnership with Aareal Bank is built on trust, expertise, and a shared vision for the future of hospitality. Their deep understanding of the sector across multiple European markets has been instrumental in supporting our commitment to sustainable growth and long-term value creation. This milestone deal will enhance our capability to operate hospitality assets at high ESG standards."

Aareal Bank acted as the arranger, facility agent, and security agent for this transaction. Legal and valuation advisors included DLA Piper UK LLP, DLA Piper Ireland LLP, Van Doorne, Cirio Advokatbyrå AB, De Pardieu Brocas Maffei, Allez & Associés, and HVS.

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Aareal Bank

Aareal Bank, headquartered in Wiesbaden, is a leading international property specialist. The Bank uses its expertise to identify trends, challenges and opportunities at an early stage, and to exploit them for the benefit of its stakeholders. Aareal Bank provides financings, banking services and payments solutions for the property sector and related industries, and is present across three continents: Europe, North America and the Asia/Pacific region. Aareal Bank's business strategy focuses on sustainable business success, with environmental, social and governance (ESG) aspects as an integral part of this strategy.

Aareal Bank comprises the business segments Structured Property Financing and Banking & Digital Solutions. 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.