

## PRESS RELEASE

### **Aareal Bank grants green loan to Cerberus and Highgate**

- **Refinancing of Dorsett City London hotel**

Wiesbaden, 16 September 2021 – Aareal Bank announces the closing of a green financing agreement for a European property. An affiliate of Cerberus Capital Management, L.P. (“Cerberus”) and Highgate received a mortgage loan in the upper double-digit GBP million range to refinance the purchase of the Dorsett City Hotel in London. The 5-year senior loan is collateralised by a property that meets sustainability criteria, which the borrower has committed to maintain throughout the term of the loan. This is the second green loan Aareal Bank has provided according to its Green Finance Framework.

The Dorsett City Hotel opened in February 2018 in Aldgate, one of the most dynamic and evolving sub-markets in the City of London. Located in the heart of London’s financial district and at the gateway to vibrant East London, the modern 4-star hotel caters for business and leisure travellers alike. The property spreads across 13 storeys, features 267 rooms and has received a BREEAM Very Good certificate. The BREEAM assessment uses recognised measures of performance to evaluate a building’s specification, design construction and use across eight categories, addressing wide-ranging environmental and sustainability issues.

Cerberus is a global leader in alternative investing with over \$55 billion in assets across complementary credit, private equity, and real estate strategies. Highgate is a fully integrated real estate investment firm with a primary focus on the hospitality sector, with a current portfolio that includes over 350 properties or 65,000 hotel rooms owned, managed, asset managed or under development throughout the United States, across Europe, and in 15 Caribbean and Latin American countries.

#### **“Going green” a matter of impact and business**

Christof Winkelmann, Member of the Management Board of Aareal Bank, stated: “At Aareal Bank we believe that the Corona pandemic has contributed to a heightened awareness of sustainable management. I therefore expect that more and more sectors of the economy will systematically integrate sustainability requirements into their business models. The financial sector has a prominent role to play in this process. Therefore, it is our intention to steadily increase the share of green buildings in our loan portfolio and we are pleased to be able to support Cerberus and Highgate on their path to sustainable investments.”

Bird and Bird advised Aareal Bank on legal matters, and CBRE performed the valuation.

**Photographs for editorial use can be downloaded [here](#).**

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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 AG, whose shares are included in Deutsche Börse's SDAX index, 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 offers reliable, pioneering solutions in the fields of consulting, software and services to optimise IT-supported business processes, and to extend business models. The Aareon Smart World digital platform links businesses from the housing industry and related sectors with customers, staff and business partners, as well as connecting technical devices in apartments and buildings.