

PRESS RELEASE



Regionally stronger and more projects

4th hospitalityInside INVESTMENT BAROMETER Spring survey available

Augsburg/Hamburg (May 6, 2015). The continuing pressure on demand in the hotel market most likely motivates hoteliers and hotel property experts to diversify regionally in secondary and tertiary markets. New leaseholders and brands are less in demand, and a higher commitment in country markets with higher risks is definitely last on the list. This is one of the trend statements obtained from the spring survey for the "hospitalityInside INVESTMENT BAROMETER" 2015. In addition, most people surveyed are expecting that the yields will stabilise in the short term (in the next six to twelve months) and increase again in the medium term (24-48 months).

Andreas Loecher, Head of Division of Investment Management Hotel at Union Investment Real Estate GmbH, Hamburg, sees the following trend in the survey: "The stronger regional diversification emphasises that the chain hotel industry is still sometimes underrepresented in secondary markets. There is still potential to catch up. The strong demand for new brand-related hotels boosts developments as well – a race to catch up is taking place, especially in the budget and the midscale markets.

The people surveyed assess the total development more positively than the development of their own businesses. Concerning new hotel projects, the optimism is still high, and their development opportunities are still estimated as "good" and "very good" according to 75 percent of the people surveyed. Concerning the industry's turnover development, 73.5 percent of the respondents are happy, which is an increase of 4.2 percent.

However, the surveyed people estimate the market situation of their own businesses more cautiously than in fall 2014: compared to six months ago, twice as many surveyed are "dissatisfied" with the current market situation, 73.4 percent regard their

own situation as good or very good (-4.2 percent). Accordingly, "only" 69.4 percent (instead of 79 percent from last time) are expecting good business within the next six months.

Based on this, the entire picture of the hospitalityInside INVESTMENT BAROMETER – initiated by the online trade magazine hospitalityInside.com in cooperation with Union Investment – remains stable: the good mood in the industry in spring 2015 has barely been impaired compared to the fall of 2014. The entire index decreased by 1.73 percent only and with 3811 points, it is at the same level as in spring.

Extracts of the results are published on the www.hospitalityInside.com website under "Market Check" and on the Union Investment website (www.union-investment.de/realestate) and can be viewed there through to the publication of the next results. Those who have taken part in the survey will receive a detailed analysis via email.

Contacts for media:

hospitalityInside.com, Maria Puetz-Willems, Editor in Chief
phone +49-821-885 880 10, email maria@hospitalityInside.com

Union Investment Real Estate GmbH, Fabian Hellbusch, Head of Real Estate Marketing,
Communication
phone +49-40-34 919 4160, email fabian.hellbusch@union-investment.de

MARKET CHECK

hospitality *INSIDE*

WORLD OF HOSPITALITY INFORMATION.

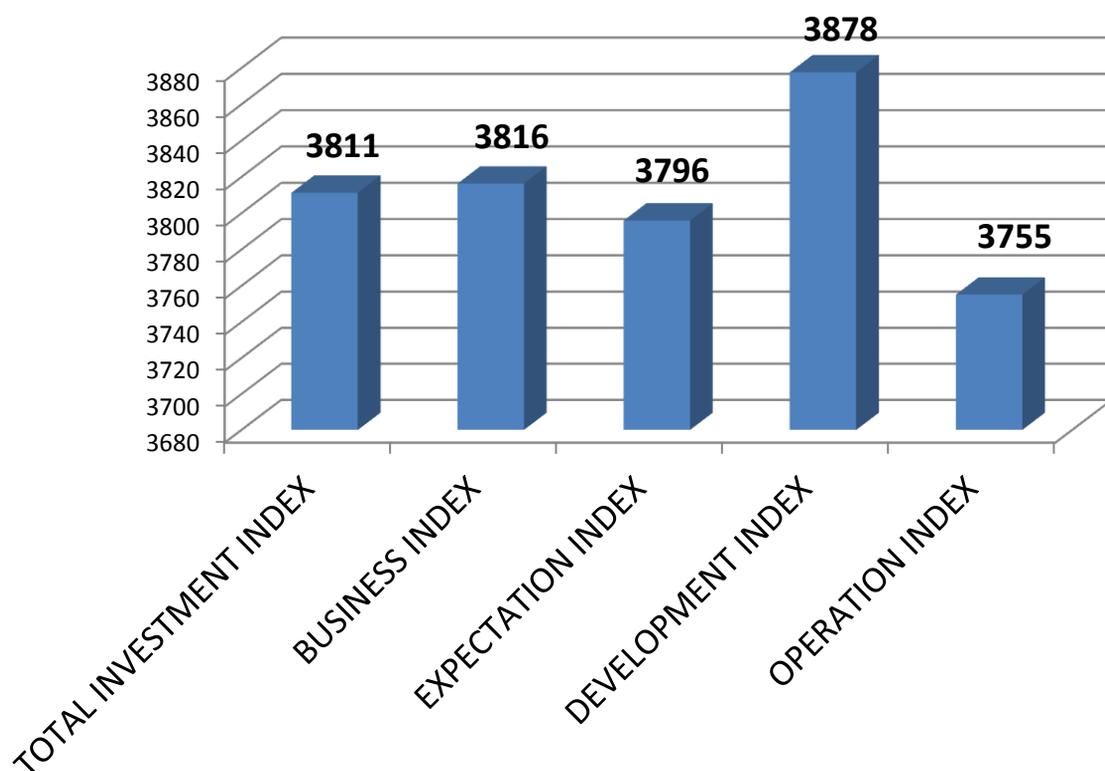


supported by



hospitalityInside Investment BAROMETER
supported by Union Investment

TOTAL RESULTS Spring 2015

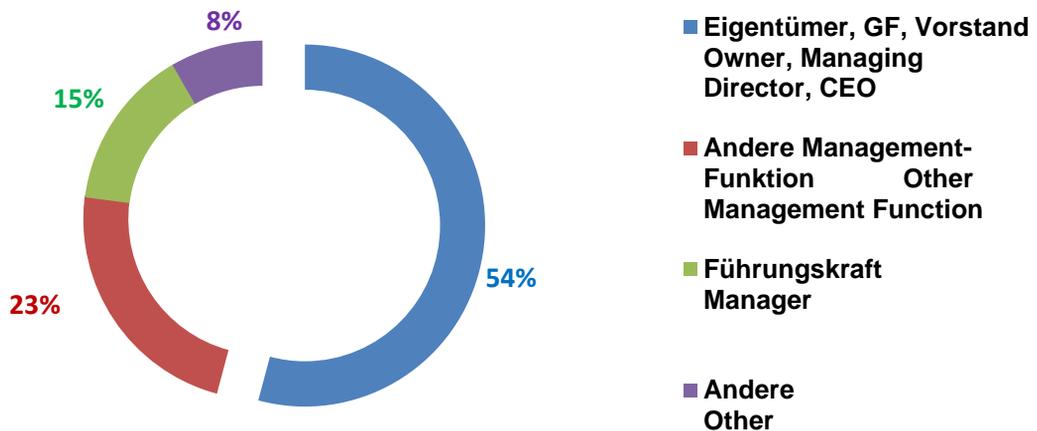


TOTAL INVESTMENT INDEX	<i>(max. = 5000)</i>	3811
BUSINESS INDEX	How do you evaluate the current market situation for your own business?	3816
EXPECTATION INDEX	What are your business expectations for the next six months?	3796
DEVELOPMENT INDEX	How do you assess the current mood in the hotel industry with respect to the development of new hotel projects?	3878
OPERATION INDEX	How do you assess the current mood in the hotel industry with respect to the turnover development of hotels?	3755

The overall index has decreased slightly with 3,811 points (-1.73 percent) compared to last fall and is thus returning to the level of spring 2014. However, the good mood in the hotel industry hides the scepticism about its own business expectations and new hotel projects.

USER PROFILE Spring 2015

Position im Unternehmen / Position in the Company



Owner, Managing Director, CEO	54%
Other Management Function	23%
Manager	15%
Other	8%
Total:	100,00%

Next Survey Fall 2015

The next survey will take place in October 2015. The invitation to participate complimentary will be sent out to everyone who has pre-registered in the barometer.

If you receive an invitation to participate via eMail, please follow the link to the survey and answer all questions. Only this way your assessment will be included in the entire result and you will be included in the list for the forwarding of the evaluations.

Please, recommend the participation to your esteemed colleagues and business partners.

Also on behalf of Union Investment, we thank you very much for your participation and support of this project and look forward to your next evaluation on the hotel market.

At our joint stand "World of Hospitality" at **EXPO REAL in Munich** you will have the chance to join the next survey "live", at a specially designed terminal. Visit us in **Hall C2/230** and meet your colleagues there.

Maria Pütz-Willems
Editor in Chief
hospitalityInside.com

Michael Willems
Managing Director
HospitalityInside GmbH