

Hamburg / London, 2 September 2015

## **Union Investment sells Marriott Hotel Hamburg to UK & European for EUR 65 million**

### **Growing demand for hotel investments used to reduce age of portfolio**

More than ten years after it was acquired by Union Investment, the Marriott Hotel, located close to Hamburg's prestigious Jungfernstieg boulevard, has changed owners. Union Investment has sold the luxury hotel for approximately EUR 65 million to international investment and property development company UK & European Investments Limited. The complex comprises a 270-room and 8-suite hotel; four retail units and a 128-space public parking garage and was purchased by Union Investment in 2004 for its open-ended real estate fund Unilmmo: Deutschland. "This sale sees us leveraging the current market environment to drive forward the optimisation of our fund portfolio, as well as reducing its average age," said Dr Frank Billand, a member of the management team at Union Investment Real Estate GmbH. "We intend to make targeted acquisitions in major European cities in 2015 and to continue expanding our hotel portfolio."

The Hamburg hotel portfolio managed by Union Investment is now including six assets, i.e. the Motel One on Ludwig-Erhard-Straße, close to the Reeperbahn, the 5-star Steigenberger Hotel on Fleetinsel and the Scandic Hamburg Emporio. Union Investment is one of Europe's leading hotel investors. Its hotel portfolio comprises real estate assets worth around EUR 2.3 billion and currently consists of 39 properties, which are mostly leased on a long-term basis to international operators such as Motel One, Hilton, Marriott, Rezidor and Steigenberger. Union Investment was advised on the deal by Clifford Chance and CBRE Hotels.

Adam Golebiowski, European Acquisitions Director at UK & European Investments, commented: "We are delighted to be back in Hamburg following our investment in the Intercontinental Hotel in 2012. We see Hamburg as one of the most attractive real estate investment markets in Europe with high liquidity and strong economic fundamentals. The Marriott Hamburg is a rarely available property in an outstanding location, combining a strong income yield with significant asset management opportunities in the long term. The hotel is one of the best performing in Hamburg and has been consistently throughout the last cycles."

This is the second hotel acquisition for UK & European Investments in Hamburg following the investment in 2012 in the debt collateralised by the Intercontinental Hotel and the subsequent sale to Kuhne Immobilien.

The Marriott Hamburg transaction follows the acquisition by UK & European Investments of a 20,000 sqm office building in Paris in January 2015 in a joint venture with Red Tree Capital, and the acquisition of a residential site in Madrid in June, bought from Ponte Gadea, with plans to create 5,600 sqm of new apartment space, working with Spanish developer Uniq.

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## **About Union Investment:**

Union Investment is one of Europe's leading real estate investment managers. Its current real estate solutions include 20 open-ended retail and special funds with total assets under management of over EUR 27 billion. Union Investment is currently number one in the retail fund sector in Germany. The company provides its investors with a stable and effective platform that combines strong property acquisition performance with a value-oriented asset management approach. Its broadly diversified property portfolio covering 24 national markets and five continents comprises over 360 properties in the office, hotel, retail and logistics sectors. For more information: [www.union-investment.com/realestate](http://www.union-investment.com/realestate)

## **UK & European Investments**

UK & European Investments is a Pan-European value-add real estate fund. The business invests and develops across all real estate sectors (commercial and residential), currently investing in 11 different countries with a particular focus on the UK, Germany, Spain, USA, France and Poland.

UK & European Investments have a large income producing portfolio as well as many opportunistic investments and developments, the majority of investments are made directly, however, the business also undertakes joint ventures with specialist partners, particularly in geographies and sectors where they do not have in house capability. Whilst traditional property funds make decisions based upon a strict time horizon and strategy, the

financial strength and private ownership of LTG allows UK & European Investments to make flexible investment decisions based on real estate fundamentals and therefore will take both long and short term views in core plus and opportunistic real estate.

UK & European Investments is headquartered in London and headed by Barney Kelham assisted by an experienced transaction and asset management team with around 30 professionals and local offices in Spain, Poland and the US. For further information please visit [www.ukandeuropaean.com](http://www.ukandeuropaean.com)

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