

Commerz Real acquires two Intercity hotels in the Netherlands for special fund

- **Construction project with 174 rooms in Breda and with 115 rooms in Leiden**
- **Operation by a subsidiary of Steigenberger Hotels AG**
- **Completions scheduled to take place following coronavirus pandemic and start of market recovery**

Commerz Real has acquired two Intercity hotels which are to be newly constructed in the Netherlands – a 115-room hotel in Leiden and one with 174 rooms in Breda – through its Luxembourg-based company CR Fund Management S.à r.l.. Following completion in 2023 the two hotels will be part of the “Commerz Real European Hotel Fund” and operated by STAG Hotels Netherlands, a subsidiary of Steigenberger Hotels AG. The Dutch project developer Synchroon B.V. is the seller of the property in Leiden; in Breda it is the seller together with the Dutch construction company J.P. van Eesteren. It was agreed that confidentiality be maintained regarding purchase prices. “Steigenberger Hotels AG is an established professional hotel operator that has been on the market since 1930 with a brand portfolio covering all the hotel categories from the 2-star to 5-star segment,” explains Dirk Schuldes, Global Head of Hospitality at Commerz Real. “The concept of the Intercity hotel brand, which is in the 3-star segment, has been a success for more than 30 years now and is being continuously amended in line with the changing requirements and needs of guests.”

Located directly at the central station, the hotel in Breda benefits from the excellent transport links in the region between Rotterdam and Antwerp, for example with Eurostar as an important train link to Germany and Belgium. The property itself is part of the major multifunctional development “5Tracks”, which comprises two additional buildings with residential and office areas, as well as a city park which will be configured over the parking garage, in addition to the hotel. Alongside the hotel rooms, the building is to have a restaurant and four conference rooms. The construction project in Leiden is also located close to the central station. It is part of the “Octagon” project development, which also encompasses two residential towers, a car park and a commercial plinth. Given the proximity of Leiden to the coast, its historic town centre and its significance as a university and congress location, the local hotel market will benefit from a balanced mix of guests according to Commerz Real. “The planned openings in the early summer of 2023 are positive as the hotel markets will probably have already recovered once the pandemic has already abated,” says Schuldes.

In cooperation with Deutsche Hospitality, the umbrella brand of Steigenberger Hotels AG, the open-ended special AIF (alternative investment fund) “Commerz Real European Hotel Fund” is investing in European hotel properties. Through the Luxembourg legal form of an SCA (Société en commandite par actions / partnership limited by shares) it is intended to acquire as many as eight risk-diversified properties for professional and semi-professional investors. The current purchase now means that three hotels have been acquired. The desired fund volume is 250 million euros with an equity capital ratio of around 40 per cent. Steigenberger Hotels AG is participating with a sum of twelve million euros; the annual target yield is at least 5.5 per cent (IRR).

Commerz Real was advised on the transaction by Eversheds Sutherland (legal matters), Crowe Horwarth (tax) and Traject (technology). Synchroon and J.P. van Eesteren were advised by Colliers Hotel (commercial) and Barents Krans (legal matters).

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Commerz Real AG

Commerz Real is a subsidiary of Commerzbank AG with more than 45 years of market experience and approximately 34 billion euros in assets under management. The company combines comprehensive know-how in asset management and a broad-based structuring expertise to deliver its signature range of services of fund products focused on tangibles and bespoke financing solutions. The fund spectrum includes the open-ended real estate fund Hausinvest, institutional investment products as well as entrepreneurial participations in real estate, aircraft, regenerative energy and ships. In its role as leasing company of Commerzbank Group, Commerz Real offers tailored equipment leasing concepts along with bespoke financing arrangements for assets such as real estate, big-ticket equipment and infrastructure projects. www.commerzreal.com

About Synchron

Synchron is an enduring leader when it comes to sustainable urban and outer-city development. The company is strong in the development and realisation of residential and working areas in which special attention is paid to the design of public spaces. Synchron is one of the larger developers in the Netherlands and is a full and independent subsidiary of TBI Holdings in Rotterdam.

About J.P. van Eesteren

A TBI company, J.P. van Eesteren is a nationally operating utility builder. Its project portfolio comprises a mix of new-build and repurposed projects, sustainability and the systematic maintenance of existing real estate. With offices in Gouda, Amsterdam and Houten, J.P. van Eesteren develops, designs, realises and maintains projects that are technologically and organisationally complex; projects that have a high "construction IQ". J.P. van Eesteren is all about making buildings smarter.

About TBI

The TBI concern renews, configures and maintains our living environment in a sustainable manner. TBI is characterised as a flexible (network) organisation. Working together in a market-oriented fashion with 19 independent subsidiaries, TBI is active in the segments Technology, Building & Development and Infrastructure.

TBI employs an average of 6,000 people (FTEs). Total operating income for 2019 was €1,850 million. For more information go to: www.tbi.nl