



AZORA EXCEEDS TARGET FOR LATEST EUROPEAN HOTEL & LEISURE FUND BY 36%, WITH €815 MILLION FINAL CLOSE

- *The Fund's final close reinforces Azora's position as a benchmark investor in the European hotel sector.*
- *The Fund has a total investment capacity of more than €1.8 billion, of which €730 million has already been committed to investments.*
- *The Fund already has a portfolio of 4,600 keys in 18 hotels.*

Madrid, 29 September 2021. – Azora, the Madrid-based European private equity real estate manager, announces that it has completed the final close of its latest pan-European hospitality fund, *Azora European Hotel & Lodging, F.C.R.* (“*Azora EH&L*” or the “*Fund*”) reaching €815 million in total commitments plus additional co-investment capital, implying a 36% increase over the original €600 million target.

Based on strong demand from institutional investors, Azora raised the Fund’s €750 million hard cap to €815 million. The increase of the hard cap has allowed Azora to accommodate new investors, comprising a large European pension fund, two large insurance companies (based in Europe and the U.S. respectively) and two European family offices.

Taking financial leverage into account, this provides the Fund with an implied total investment capacity of more than €1.8 billion, of which c. €730 million has already been committed, through 4 transactions (including the seed portfolio). These include two flagship hotels in the Algarve region in Portugal for €148 million, through a 20-year sale and management transaction with Minor International (MINT); the acquisition of the Arenas Resort Giverola in Costa Brava (Spain), prior to a €40 million repositioning project; and the luxury 5* Vilalara Thalassa Resort hotel in the Algarve region. These new acquisitions bring the fund's total portfolio to 4,600 keys in tourism-focused hotels, in both sun and beach and urban locations.

The Fund invests in European tourism, a segment with a long-term growth trend and amidst a clear post-pandemic recovery scenario. The Fund aims to invest both in traditional beach and mountain destinations, as well as in the main European tourist cities..



Concha Osácar, Founding Partner at Azora commented: *“This Fund is a continuation of our successful strategy in the hotel sector, which began more than ten years ago. Throughout the pandemic we maintained our long-held conviction on the European leisure hotel and resorts market, which has already allowed us to build a significant high-quality portfolio and to position our Fund ahead of competitors, with a strong pipeline of future opportunities. Our continuous focus on the sector has allowed us to become a leading European player in hospitality and has led us to increase our original target and hard cap to accommodate additional investors’ demand. For our Fund, the pandemic has created and will continue to create additional opportunities over and above those originally envisaged.”*

Lazard acted as private placement agent for the fundraise and Freshfields Bruckhaus Deringer has acted as legal counsel.

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About Azora

Azora Group (hereinafter “Azora”) is a leading independent asset manager based in Spain, which has invested over €4bn of equity since its inception in 2003 and which currently manages c.€3.9bn of AuM (as of Jun-2021).

Its platform, one of the most important in Spain, has more than 200 professionals with great expertise through the whole real estate cycle, including deal sourcing, structuring and investment, new developments and repositioning, asset management and rental and sale of individual assets or portfolios.



Azora has traditionally focused on residential, hotels, offices and renewable energy, and is currently developing new investment themes in logistics, senior homes and alternative real estate debt. Azora currently manages one of the largest portfolios of residential units for rent in Spain, with more than 14,000 homes.

Azora has a strong track record of hotel and leisure investment and was the first institutional real estate investor and asset management firm to enter the “sun & beach” hotel segment in Spain, where it built the largest hotel platform through its Madrid-listed *SOCIMI* (Real Estate Investment Trust), Hispania. From IPO in 2014, Azora grew the Hispania portfolio to 46 hotels with over 13,000 keys and a c. €2.0 billion of gross asset value, before successfully selling the platform to Blackstone in July 2018.