

Hotel Investments

INVESTMENT CRITERIA

Championing fair wages, local food sourcing, and saving energy with sustainable design — our hotel investments are geared towards positive behaviour change, and a better future for the hotel industry.

Our selected hotel investment opportunities are based on our years of expertise and experience with this sector, and the following investment criteria.

Asset

We invest in hotels of good technical quality, with the following labels offering a plus (BREEAM, LEEDS, WELL).

Return profile

Investments should return a NIY (NOI / total investment) of at least 4.25%.

Operation

We invest in hotels with market level or lower ADR and occupancy rates, with margins on the operation within market standards. Rent cover of higher than 1,25x on EBITDAR, and sound operational insurance.

Countries

Our hotel investments are all in EU countries with the euro currency, with a clear focus on NL & DE.

Brand

Our hotel investments offer a clear added value of the brand to the location, and are preferably within a chain.

Investment typology

We focus on Core/Core+ investments in prime and strong secondary cities. We primarily invest in *** and **** star hotels, targeting both leisure and business travellers.

Investment volume

Our minimum investment per asset is € 15 million, up to € 100 million. Liquidity determined per location.

Tenant

Our hotel investments are run by a financially sound tenant (to market standard or better margins and ratios), with a successful track record in managing hotels.

Location

We look for clear assignable drivers for the hotel type / brand, clear assignable added value of the hotel to the micro location, and good accessibility by either car or public transport with ample parking for the location.

Exposure

Our investment assets generate a minimum of 70% income from hotel activities.

Lease

We seek investments with a minimum of 10-year WALT (shorter in exceptional situations), double or triple net leases, with market practice or better guarantees in place (bank, mother company, Pledge on FF&E and operational step-in rights).

The variable components will not account for more than 20% and are valued differently. Rent level per room will be within market standards.



To hear more about our
car park acquisition
requirements, please
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