



**AZORA ACQUIRES THE ARENAS RESORT GIVEROLA IN COSTA BRAVA, SPAIN, AHEAD OF  
C. €40 MILLION REPOSITIONING**

- **First acquisition since seed portfolio assembled and €680 million first close of Azora's European hotel fund**
- **Significant repositioning potential will see Azora comprehensively upgrade the asset into a nature and sport vacational destination including a 4\* resort with glamping options with a c. €40 million investment**
- **Med Playa Group appointed as operator**

**Madrid, April 27<sup>th</sup>, 2021.** Azora, the Madrid-based European private equity real estate manager, announces that it has acquired the Arenas Resort Giverola, in Costa Brava Spain, from leading Swiss hotel group Arenas The Resorts. The acquisition has been made on behalf of the Azora European Hotel and Lodging, F.C.R. ("Azora EH&L" or the "Fund") and represents the Fund's first purchase since Azora assembled its seed portfolio ahead of a €680 million first close last summer.

Spread over 35 hectares in a prime location at the heart of Costa Brava, the beachfront resort comprises a 213 apartment hotel complex, as well as a large campsite. It currently offers a number of high-quality amenities, including five restaurants and bars, sports facilities and swimming pools including a spa, as well as plentiful parking.

Located in the popular Tossa del Mar region in north eastern Catalonia, the resort benefits from direct access to two of Costa Brava's most picturesque beaches, Cala Pola and Cala Giverola. The area is also renowned for being one of the best locations for cycling in Europe.



Azora has appointed Med Playa, one of Spain's largest hotel operators, to manage the resort, strengthening their existing working relationship.

Azora believes there is potential to create value and improve income at the asset, which was originally built in 1988, and plans to invest c. €40 million to carry out a comprehensive refurbishment and expansion of the existing facilities across both the hotel and camping elements.

Work is already underway to transform the campsite into a modern 'glamping' destination, which on completion, will offer 125 bungalows, 62 tents and 126 caravan spots. The 213 apartment hotel element will be upgraded to achieve a 4-star rating with work undertaken in two phases, the first of which is due to start in November 2021. Azora and Med Playa will reopen the hotel to the public next June.

In line with its broader approach to ESG, Azora also intends to improve the resort's environmental credentials, including targeting a BREEAM very good or above certification and improving energy efficiency. Additionally, under Azora's commitment to contribute to the local economies, it will prioritise partnerships with local suppliers.

Azora is also planning a number of commercial and operational changes to enhance the customer experience, including repairing the historic "camí de ronda" paths that run through the resort.

**Monica Garay, Senior Partner and Head of Alternative Lodging at Azora, commented:**

"Having completed the initial capital raise for our latest hotel fund last summer, we have patiently observed the sector against the backdrop of the pandemic while assessing a number of opportunities. This significant acquisition is our first for the Fund since assembling its seed portfolio and presents us with an opportunity to fully reposition an



extremely well-located resort in a popular destination area for domestic and international tourists. By utilising our deep asset management expertise we will aim to add value and increase operating income at the resort in order to deliver attractive returns on behalf of its investors.”

“Following a period of limited tourism due to the COVID-19 pandemic, we retain our long-held conviction in the sector as an investment that will continue to be supported by societal trends. With the vaccine roll out successfully underway across Europe we expect a rapid rebound in many parts of the sector as travel and other restrictions are gradually eased. Costa Brava has historically attracted high numbers tourists, while the resort’s outdoor focus has not only increased its resilience to the impacts of Covid-19, but will also allow it to recover faster than traditional resorts.”

The Giverola Resort will strengthen the current seed portfolio of the Azora European Hotel and Lodging, F.C.R, which already includes 10 hotels secured on launch, with circa 2.670 keys and 4 hostels with circa 1.200 beds, located across Spain, Portugal, Italy and Belgium.

With a first close of €680 million and a hard cap of €750 million, the Fund has an implied total capacity of more than €1.5 billion to invest in leisure hotel opportunities across Europe, with a significant proportion of the portfolio expected to be located in Spain, Europe’s most popular “sun & beach” destination. Azora will use its significant expertise to implement a value-add strategy for the Fund, through repositioning, refurbishment, and active asset management.



**AZORA**





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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.€3.2bn of AuM (as of Dec-2020).

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, with more than 14,000 homes, and created the largest hotel portfolio in Spain under variable rent agreements with hotel operators with more than 13,000 keys, which was acquired by Blackstone in July 2018.

**About Med Playa**

Med Playa Group (hereinafter “Med Playa”) is one of the leading hotel operators in Spain with head quarters in Girona and Benidorm and specialises in the management of touristic assets located in the coast line. Created in 1967 in Costa Brava, it started its expansion in Benidorm and continued throughout Costa del Sol, Salou (Tarragona) and Maresme (Barcelona) with the acquisition of already built hotels, among them the historical Hotel Pez Espada in Torremolinos (Malaga).

Med Playa manages properties in Benidorm (Flamingo Oasis, Río Park, Riudor, Regente and Agir), Benalmádena (Hotel Bali, Hotel Rivera and Hotel Balmoral), Salou (Hotel Calypso and Hotel Pirámide), Tossa de Mar (Aparthoteles Sant Eloi and Esmeraldas), Platja d’Aro (Hotel Monterrey), Calella (Hotel Santa Mònica) and Sinmorets, Bulgaria (Hotel Bellavista).