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AZORA ACQUIRES PESTANA BLUE ALVOR 5 STARS HOTEL IN THE ALGARVE

- **The Pestana Blue Alvor is a 5* resort, located in the Algarve, operated by Pestana Hotel Group and comprising 500 rooms, providing high-quality accommodation and amenities**
- **Fourth deal for the Azora European Hotel & Leisure Fund in the Algarve, as Portuguese leisure market continues to prove resilient**
- **Acquisition means Fund is now close to 60% deployed, with further targets in sight**

Madrid, 12 May 2022 – Azora, the Madrid-based European real estate investment manager, has completed the acquisition of the Pestana Blue Alvor, a five-star hotel in Portugal’s Algarve region, on behalf of the Azora European Hotel & Lodging, F.C.R. (“Azora EH&L” or the “Fund”), from Pestana Hotel Group, the largest multinational hospitality group of Portuguese origin.

Constructed in 2019 by the Pestana Hotel Group, the 120,000 sqm 5* resort comprises nearly 500 rooms alongside six restaurants and bars, six indoor and outdoor swimming pools and a modern sports centre and spa. The hotel is located in Alvor, on the South Coast of Portugal’s Algarve, offering excellent access to a number of beaches. The all-inclusive resort, which is nearly fully booked for the summer, will continue to be operated by the Pestana Hotel Group.

This transaction represents Azora’s fourth acquisition in Portugal and follows the recent acquisitions of the 384-bed Tivoli Marina Vilamoura resort, the 248-bed Tivoli Carvoeiro resort and the 118-bed Vilalara Thalassa Resort, all of which are 5* resorts located in the attractive Algarve region.

Following this acquisition, Azora EH&L has deployed more than €1.0 billion and is close to 60% committed across 8 transactions and 29 assets with close to 8,000 hotel keys. The Fund was launched in July 2020 with a seed portfolio of 10 resort hotel assets and 4 urban hotel assets across Europe and held an oversubscribed €815 million final close in September of last year, which gave the Fund an implied total investment capacity of more than €1.8 billion.

Concha Osácar, one of Azora’s Founding Partners, commented: *“We retain our strong conviction on the European hotels and leisure sector, with significant pent-up demand following long periods of lockdowns and restrictions, particularly in the sun and beach markets. This transaction represents a unique opportunity both to acquire an exceptional resort in a highly appealing location, and to further*



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grow our presence in the Algarve, a region which is already performing close to pre-covid levels thanks to its long-term attractive fundamentals. To have deployed close to 60% of the Fund's capital so soon after its final close is testament to our team's expertise and access to unique deal flow across Europe."

José Theotónio, Chief Executive Officer of the Pestana Hotel Group, commented: *"The Pestana Blue Alvor is key reference among families and all those who seek a distinctive all-inclusive resort in a region that is recognized as a prime beach destination in the Iberian Peninsula. The Pestana Hotel Group will professionally maintain running all operations in this unique resort."*

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About Azora

Founded in 2003, the Azora Group ("Azora") is a leading, vertically integrated, Spanish real estate investment and asset management firm, with c.€6.2 billion of assets under management across Europe and the US. Over the past 19 years, Azora has grown to over 250 professionals with extensive experience across the spectrum of real estate investing, including sourcing, structuring and investing, new developments and repositioning, asset management, leasing and sale of individual assets or portfolios.

Azora specialises in different types of assets: residential, hotels, logistics, offices, senior homes and renewable energy and is promoting new investment lines in leisure, data centres and infrastructure.

Azora pioneered the rented residential segment in Spain, launching its first BTR vehicle in 2003 and currently managing the largest portfolio of purpose-built rented residential assets in Spain, with c.15,000 units under management. Azora has also pioneered other social-linked segments of the Living space including student housing (where it built out the largest student housing portfolio in Continental Europe; RESA) and senior living (currently investing in Spain through Adriano Care).

Following its newly created partnership in the USA (Azora Exan), Azora is also finalising the launch of a US Multifamily fund, focused on the Sunbelt States and with a value-add approach. Through Azora Exan, Azora will continue expanding its footprint in the US (where it has owned hotels for a number of years) across the residential, hospitality, logistics and office segments.



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PESTANA

HOTEL GROUP

About Pestana Hotel Group

The Pestana Hotel Group is the largest international tourism and leisure group of Portuguese origin. Dedicated to offering its guests 'the time of your life', the company owns and manages more than 100 properties, across 3 continents. Mr. Pestana, the company's visionary founder, opened the group's first hotel in Madeira Island in November 1972. Together with his son, Dionísio Pestana, the brand's footprint has been growing internationally. Under their leadership, the award winning Pestana brand has become a dedicated guardian of Portuguese culture and heritage, as well as a forward-thinking hospitality group that offers the very best locations, around the world. The Pestana Hotel Group comprises of four hotel brands: Pestana Hotels and Resorts, Pestana Pousadas de Portugal, Pestana CR7 Lifestyle Hotels and Pestana Collection Hotels. Aiming to offer complete and attractive experiences, the Pestana Hotel Group operates in various business areas: hotels, tourism real estate, real estate, vacation clubs, golf courses, casinos and industry. It is currently present in 16 countries in Europe, Africa and the Americas. Enter the Pestana universe and learn more at: <http://www.pestana.com>