

# Ares Real Estate Announces Acquisition of Hotel Portfolio from Landsec

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*Income-Generating Hotel Portfolio Concentrated in London and Other Major UK Cities*

LONDON--(BUSINESS WIRE)-- Ares Management Corporation (“Ares”) (NYSE: ARES), a leading global alternative investment manager, announced today that funds managed by Ares Real Estate have acquired a hotel portfolio from Landsec alongside hotel operating partner EQ Group (“EQ”), a leading European hospitality investment and management platform.

Prior to the acquisition, the properties were fully let to AccorInvest under long-term leases. In parallel with the closing of the acquisition, Ares entered into an agreement with AccorInvest to surrender these leases and transfer operations of the relevant hotels to Ares. As a result of these transactions, Ares has acquired 18 hotels with 3,028 rooms (the “Portfolio”) at a headline purchase price of £400 million.

The Portfolio consists of midscale and economy properties with the majority of value in Central London and the remaining assets primarily located in major UK city centres, including Edinburgh, Manchester and Birmingham. The acquisition, which consolidates ownership of the Portfolio’s real estate and operations by the surrender of the AccorInvest leases, provides the opportunity to enhance value through implementing various asset management initiatives including the refurbishment and repositioning of certain assets. Alongside improving operational and financial performance of the hotels, Ares will target energy efficiency and carbon footprint enhancements across the Portfolio.

“This transaction highlights our ability to create solutions which unlock assets in today’s dislocated market,” said John Ruane, Partner and Co-Head of Ares European Real Estate. “The hotels are well located with an attractive weighting to the London market and have seen performance recover strongly since Covid. The rationalisation of the ownership and lease structure offer us exciting opportunities to add value over time.”

“We are delighted to partner with Ares to acquire this unique portfolio of hotels through a complex series of transactions,” said Namid Mangalji, Senior Managing Director & Co-Founder at EQ. “Together we can leverage our combined deep track record in deploying capex, operational turnaround, rebranding and repositioning.”

The Ares Real Estate team oversees \$48.8 billion of assets under management and has more than 270 investment professionals across seventeen local offices in core markets in the U.S. and Europe as of March 31, 2024. The team leverages its scale and vertically integrated operating platform to execute comprehensive real estate equity and debt strategies that are flexible by geography, product type and sector. In Europe, Ares Real Estate has a tenured, local team of approximately 70 real estate investment professionals and a track record spanning approximately three decades of operations.

**About Ares Management Corporation**

Ares Management Corporation (NYSE: ARES) is a leading global alternative investment manager offering clients complementary primary and secondary investment solutions across the credit, real estate, private equity and infrastructure asset classes. We seek to provide flexible capital to support businesses and create value for our stakeholders and within our communities. By collaborating across our investment groups, we aim to generate consistent and attractive investment returns throughout market cycles. As of March 31, 2024, Ares Management Corporation's global platform had approximately \$428 billion of assets under management with approximately 2,900 employees operating across North America, Europe, Asia Pacific and the Middle East. For more information, please visit [www.aresmgmt.com](http://www.aresmgmt.com).

### **About EQ Group**

EQ Group is a leading pan-European hospitality investment and management platform that has invested in, managed or asset managed over €3.3 billion of hospitality real estate across 9,400 rooms. EQ partners with leading hotel real estate investors, investment banks, family offices and private equity funds and has an extensive track record of creating value by acquiring assets and executing complex business plans encompassing capex, rebranding and operational turnarounds. EQ's portfolio spans a broad spectrum of hotels comprising internationally branded assets, independent luxury lifestyle hotels, resorts, meetings & events hotels and serviced apartments in key European gateway destinations. For more information, please visit [www.eqgrp.com](http://www.eqgrp.com)

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