



VON DER HEYDEN GROUP

25 years in Poland

Press release

February 27th, 2015



‘DŁUGI TARG’ HOTEL DEVELOPMENT PROJECT IN THE HEART OF GDAŃSK OLD TOWN!

- Debt financing closed!
- Start of construction works: September 2015!
- Opening of IBB Długi Targ Hotel Gdańsk: Spring 2017!



'Długi Targ' Hotel Development Project in Gdańsk

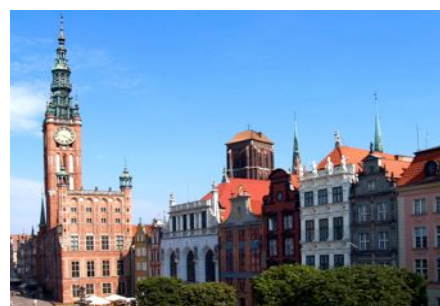
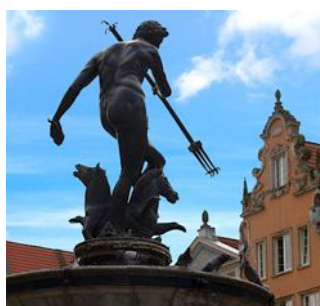
With history of over 1000 years, Gdańsk is one of the oldest, one of the most dynamic and one of the most popular tourist destination in Poland. Together with Gdynia and Sopot, Gdańsk forms a conurbation of over 1.2 mln inhabitants. Gdańsk, as the capital of the Pomerania Province is also an important academic and business centre in the country.

'Długi Targ' Hotel Project - a unique property acquired by Von der Heyden Group in a complex tender from Millenium Bank back in 2006, it is located in the most attractive part in the heart of Gdańsk, at the corner of historical Długi Targ Boulevard and Mieszczanska Street, almost opposite to the Neptun's Statute and the Dwór Artusa Building.

In the middle of February 2015, 'Długi Targ' Hotel Project has obtained bank financing. From among all banks invited to co-operation, the best offer was made by **Alior Bank S.A.**

On closing, **Sven von der Heyden**, Von der Heyden Group's Chairman said: *'It has taken us an unusually long time to move ahead with this beautiful project. First our dreams got shattered by the financial crisis and the consequential loss of financing for Hotel developments in Europe and in particular in Poland. Then we had other projects going in the Von der Heyden Group such as Munich and Poznan, which needed 100 % of our attention. The suffered delays are really not a problem as we own 3 properties in a marvellous location and once the location is great, time is not that important. We are now full of enthusiasm for the project 'Długi Targ' and are convinced that the new IBB Długi Targ Hotel Gdansk will be financially very successful!'*

The Investor is currently in the process to close the design works with a local architect Michał Skwarło and Tomasz Wojtkowiak - interior designer, prepare technical documentation and organise a tender for the General Contractor. **Construction works are planned to start in September 2015 and finish in spring 2017.**



Adam Trybusz, the President of the Management Board of Długi Targ Sp. z o.o., a special purpose vehicle to implement the project, and finance partner said: *'There are locations in which you have faith in against any economic calculation, consultants and other IRR enthusiasts. You just believe in it, you stay patient and humble and the time comes when they all change their minds and your project receives the second life. It's also the right timing. This is what we experience now, we are awarded for our faith into the 'Dłuai Tara' proiect.'*

The 'Długi Targ' development project (estimated investment value: Euro 11 mln) is based on refurbishment and conversion of three historical semidetached city houses into a unique hotel in a unique place.



The initial concept of Von der Heyden Group was to create a top 5* refined boutique hotel, however, due to changing market environment, the initial idea responded the local market needs and an efficient and trendy 3* Superior hotel will be created. The characteristics of the external façade will be carefully preserved, however at the same time, the interiors will be modern and full of innovative solutions.

The Investor is in possession of all permits to start the construction. At first, the tender for the General Contractor will be organised and closed by the summer 2015. There are also works conducted on the technical design in order to increase the number of hotel rooms and decide on the function of the groundfloor. Construction works will start not earlier than in September 2015 in order not to interfere with unique holiday atmosphere at Długi Targ Boulevard.



The newly opened hotel that is planned for Spring 2017, will be operated by a dynamic hotel group: IBB Hotel Collection (IBBHC). IBBHC in Poland successfully operates renowned to 4* hotels like: IBB Grand Hotel Lublinianka in Lublin and IBB Hotel Andersia in Poznań, both enjoying the best results in terms of REVPAR and occupancy. IBBHC operates as well two 4* hotels in Germany and three 4 and 3* hotels in Spain (more info about IBBHC: www.ibbhotels.com).

In the new hotel in Gdańsk, guests will have 88 rooms and comfortable apartments at their disposal located on four floors. The venue will offer almost 1.000 sqm for retail lease, or hotel additional services, such as e.g. a restaurant, beauty centre and exquisite boutiques. The city of Gdańsk will offer unforgettable memories and numerous events like e.g. St. Dominic's Fair that is held in Długi Targ Boulevard, it's the oldest dated from the 13th century, the most famous, and one of the largest open air events in Europe that attracts about 6.5 mln guests to Gdańsk every summer.

Von der Heyden Group:

- Von der Heyden Group, (VDHG) founded in 1989 by Sven von der Heyden, is a niche player on the European Real Estate Market and has been successfully developing Class A Office buildings and Hotels in always top central locations in cities, such as Warsaw, Poznan and Lublin. The Group is commonly known for its high-end finishes and quality, and at all times achieved record prices for its award winning projects, when sold.
- VDHG currently has offices and representations in Warsaw, Poznan, Berlin, Munich, Malta, Madrid and Menorca. The group has gathered as well plenty of experience in other cities such as New York, Atlanta, London, Dresden and Leipzig.
- VDHG employs directly or indirectly about 300 people in 26 subsidiaries. The company is managed by a group of experienced, well reputed managers both at the level of the holding and at the subsidiaries.
- Since 1989, a volume of investment of around Euro 300 million has been achieved in Poland, Germany and Spain. There are plans to invest further 175 million during the next 3 years, including equity and debt.
- With 25 year sound experience and continuing successful presence on international markets, VDHG enjoys the trust of international financial institutions, funds and big market players, as well as embassies, governmental institutions and cities. The Group has strengthened itself during the last difficult years of the financial crisis, which is also a sign of a well-managed set of companies.
- In 2014 the Group successfully leased to prestigious Tenants its Andersia Business Centre in Poznań, where a selective approach with respect to the quality of its tenants and meticulous strategy was being followed in a disciplined way. Goals for 2015 are: starting construction works of 'Długi Targ' Hotel Project in Gdansk and working on the 4th and last phase on Plac Andersa in Poznan.
- The Group also currently develops a 148 mln Euro Hotel – and office scheme in the prosperous city of Munich, Germany, a flagship development in the hometown of the founder of the Von der Heyden Group, Sven von der Heyden.

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