

20 April 2021

Legal & General acquires YOTEL London Clerkenwell for £70m

LGIM Real Assets, on behalf of its Managed Property Fund, has purchased YOTEL London Clerkenwell, 96-100 Clerkenwell Road, Farringdon from James Cowper Kreston Administrators for £70 million. YOTEL will continue to operate the property under a long-term management agreement.

YOTEL London Clerkenwell is the YOTEL group's first central London hotel and features 212 cabins, and Komyuniti, an all-day restaurant, bar and co-working space which offers street-food inspired sharing plates, craft beers and cocktails. The hotel also has two meeting rooms, a 24/7 gym and Grab+Go snack bar.

In addition to the hotel, the property comprises c.3,000 sq ft of retail space and five apartments totalling c.5,000 sq ft. The building was completed in May 2020 and the hotel has been trading since August 2020. The property has strong ESG credentials with a BREEAM Excellent and EPC A rating.

The transaction is one of the first central London hotel transactions since the onset of the COVID pandemic and the "lean luxury" offering is well placed to be at the forefront of the London hotel market recovery.

Rob Codling, Senior Fund Manager for LGIM Real Assets, said:

"This is the Fund's first operational hotel acquisition seizing a rare opportunity to acquire the hotel out of administration. The asset is located in a prime area of London, a short walk from Farringdon Station which with the opening of the Elizabeth Line (Crossrail) will make it one of the busiest stations in the UK, providing a fantastic opportunity to capitalise on the recovery of the London hotel market following the Covid pandemic."

Paul Davies, Partner at James Cowper Kreston, comments:

"We are pleased to have concluded a timely sale of the hotel following our appointment of Administrators in December. There remains significant interest in the hotel sector for well-located and innovative hospitality assets such as YOTEL London Clerkenwell."

Shaun Roy, Partner and Head of Hotels at Knight Frank, said: "We are thrilled to have completed this landmark deal in unprecedented market circumstances with both the vendor and purchaser

happy with a successful outcome. This sale received significant traction and we had very strong interest from a wide variety of capital sources, which only goes to show the underlying strength and belief in the London hotel market and innovative brands such as YOTEL.”

YOTEL is a UK based hotel group with a portfolio which currently comprises 15 hotels globally including New York, Singapore, Istanbul Airport, San Francisco, Edinburgh and Amsterdam. Hotels in Glasgow, Porto and Miami are due to open this year.

YOTEL provides affordable luxury for guests with a hotel experience that encourages minimalistic design and clever use of technology, including check-in via the YOTEL App and the use of a SmartKey for a seamless guest experience.

L&G was represented by Constantine Real Estate and Gerald Eve. Knight Frank acted for James Cowper Kreston Administrators.

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Notes to editors

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1.24 trillion in total assets under management, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, life insurance, workplace pensions and retirement income.

LGIM Real Assets

LGIM Real Assets is a division of Legal & General Investment Management (LGIM), one of Europe's largest institutional asset managers and a major global investor. LGIM manages £1.24tn in assets (as at 30 June 2020), working with a range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors. LGIM Real Assets has AUM of £35.9bn (as 30 June 2020) and is one of the largest private markets investment managers in the UK.

Investing in both debt and equity and across the risk/return spectrum, LGIM Real Assets actively invests in and manages assets across commercial, operational and residential property sectors, as well as infrastructure, real estate, corporate and alternative debt. Taking a long term view in order to future proof our investments, LGIM Real Assets continues to lead the industry in ESG performance,

considering all environmental, social and governance issues at asset level as well as portfolio level. During 2020, we are developing a strategy as part of our commitment to net zero carbon emissions across the real estate equity business by 2050, and have also committed to measuring social value across 20% of our platform by the end of the year.

About Knight Frank

Knight Frank LLP is the leading independent global property consultancy, serving as our clients' partners in property for 125 years. Headquartered in London, Knight Frank has more than 20,000 people operating from 488 offices across 57 territories. The Group advises clients ranging from individual owners and buyers to major developers, investors and corporate tenants. For further information about the Firm, please visit knightfrank.com.

About YOTEL

Inspired by the luxury of first-class travel and uncompromisingly designed around guests, YOTEL takes the essential elements of luxury hotels into smaller, smart spaces and deliver extraordinary value and a sense of community with areas for co-working, social gatherings and exercise in sought after locations. Premium Cabins include YOTEL's signature adjustable SmartBed™ with rejuvenating rain showers and SMART TVs, multi power and USB points and easy connectivity.

YOTEL currently operates six airport hotels in London Gatwick, Amsterdam Schiphol, Paris, Charles de Gaulle, Istanbul Airport (2), Singapore Changi and nine city centre hotels in New York, Boston, San Francisco, Washington D.C., Singapore, Edinburgh, London, Amsterdam and the first-ever YOTELPAD in Park City. YOTEL is expanding rapidly with new projects under development globally, including Porto, Glasgow, Dubai, Geneva, Long Island City, Miami, Mammoth, Atlanta and Melbourne.

YOTEL's major shareholders include a controlled affiliate of Starwood Capital Group, the Talal Jassim Al-Bahar Group, United Investment Portugal and Kuwait Real Estate Company (AQARAT).

YOTEL was created by YO! founder Simon Woodroffe OBE, who inspired by first class travel, translated the language of luxury airline travel into a small but luxurious cabin (www.yo.co.uk).

Visit www.yotel.com for more information.