

### **BMO REP acquires two newly completed Travelodge hotels**

*Transaction completion follows £20 million forward funding agreement*

**LONDON, 16 March 2021**– BMO Real Estate Partners (BMO REP), the pan-European property investment and asset management specialist that is part of Canada's BMO Financial Group's £217 billion<sup>1</sup> Global Asset Management business, has completed the acquisition of two newly developed Travelodge hotels. The two pre-let developments funded by BMO REP on behalf of a UK segregated mandate client for £20 million, reflecting a blended net initial yield of 5%.

The vendor, the Hinton Group, undertook the construction of the two Travelodge hotels, which will operate on long term-term leases of 25 years. Both schemes also comprise Costa Coffee drive-thru outlets, each let on 15 year leases.

Both hotels which are strategically located to cater to a variety of commercial, leisure and transient demand drivers. One is situated between Oxford and Cheltenham, in the historical Cotswolds market town of Witney, and comprises 63 bedrooms as well as 71 parking spaces, with the Costa Coffee unit integrated into the main building. The second hotel is located in Emersons Green, a strategic and growing commercial district north of Bristol city centre, which is in close proximity to key transport interchanges. It comprises 90 bedrooms, a restaurant and 129 parking spaces, alongside a separate Costa Coffee drive-thru unit.

**Matthew Howard, Director, Property Funds at BMO REP said:** “ We are delighted to work with Hinton Group to acquire two newly built long let inflation-linked hotels for our client. These well located, limited service hotels also provide us with an opportunity to increase our client's exposure to alternative assets, in a sector where we have strong conviction beyond the short-term disruption caused by the Covid-19 pandemic.”

BMO REP was advised by Gerald Eve and Cushman & Wakefield on the Witney acquisition and Savills on the Emersons Green acquisition.

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<sup>1</sup> BMO Global Asset Management as at 31.12.2020

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## **About BMO Real Estate Partners**

BMO Real Estate Partners is a specialist real estate investment manager firm with £6.6 billion of AUM<sup>2</sup> across core European markets, employing more than 140 staff, including more than 20 investment managers and over 25 asset managers overseen by a highly experienced and well-regarded management team.

It offers investors a broad suite of products specialising in core / core+ strategies with a focus on delivering superior income returns and a track record of performance against key benchmarks throughout market cycles. BMO Real Estate Partners has a strong localised presence with offices in London, Paris and Munich, as well as on-the-ground reach in core European markets including Spain and Italy.

While it retains an independent, agile and entrepreneurial approach to its investment activity, BMO Real Estate Partners is able to call on the support structure and expertise of BMO Financial Group's £227 billion<sup>3</sup> Global Asset Management business, which provides deep seated insight into institutional investment landscape and facilitates the adoption of best in class corporate governance and sustainability principles.

## **About BMO Global Asset Management**

BMO Global Asset Management is a global investment manager with offices in more than 25 cities in 14 countries, delivering service excellence to clients across five continents.

Our four major investment centres in Toronto, Chicago, London and Hong Kong are complemented by a network of world-class specialist managers strategically located across the globe: BMO Real Estate Partners, LGM Investments and Pyrford International Ltd.

BMO Global Asset Management is a signatory of the United Nations-supported Principles for Responsible Investment initiative (UNPRI).

BMO Global Asset Management is a part of BMO Financial Group, a highly diversified financial services provider based in North America with total assets of CDN \$949 billion as of 31 October 2020<sup>4</sup>.

*The value of investments and any income from them can go down as well as up and investors may not get back the original amount invested.*

*The value of directly held property reflects the opinion of valuers and is reviewed periodically.*

*These assets can also be illiquid and significant or persistent redemptions may require the manager to sell properties at a lower market value adversely affecting the value of your investment.*

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<sup>2</sup> Assets Under Management (AUM) reported is as at 31.12.2020 and includes both discretionary and non-discretionary assets.

<sup>3</sup> BMO Global Asset Management as at 31.12.2020

<sup>4</sup> [https://www.bmo.com/ir/qtrinfo/1/2020-q4/Q420\\_CorporateFactSheet.pdf](https://www.bmo.com/ir/qtrinfo/1/2020-q4/Q420_CorporateFactSheet.pdf)