

# Alpha Real Capital

**PRESS RELEASE – 8 April 2019**

## **ALPHA REAL CAPITAL COMPLETES GROUND RENT TRANSACTION ON £1BILLION HOTEL PORTFOLIO**

Alpha Real Capital LLP (“Alpha”), the specialist manager of long income real assets, has completed ground rent transactions over a portfolio of three central London hotels on behalf of its Index Linked Income Fund (“ILIF” or “the Fund”). This is the Fund’s largest transaction to date.

The transaction follows the recent circa £1billion purchase of Grange hotels by Queensgate Investments LLP (“Queensgate”), the owner of Generator hostels and the Kensington Forum hotel. Queensgate has leased the hotels to Fattal Hotel Group, a leading international hotel group that operates around 200 hotels in 17 countries, under the Jurys Inn and Leonardo brands. The hotels will receive significant new investment by Fattal with the St Pauls and City hotels rebranded to the luxury Leonardo Royal portfolio. The Holborn hotel will become Fattal’s first Nyx Hotel property in the UK.

The new investment takes ILIF’s total assets past £1.4billion across more than 500 properties.

**Hugo James, Partner and Head of Long Income at Alpha Real Capital said:** *“We are delighted to have acquired the ground rents of these three hotels from Queensgate. The location and quality of the properties provides confidence in their long term income generating capabilities and value. Their acquisition caps a successful year for the Fund in which it has invested approximately £600m of new capital into UK commercial ground rents. We have a strong pipeline of new transactions in due diligence and believe that commercial ground rents are now a well-established asset class for investors and an attractive funding source for owners of operating assets”*

**Phillip Rose, CEO, Alpha Real Capital said:** *“Alpha works very closely with real estate owners and operators to deliver flexible long-term capital solutions. Alpha’s reliability and responsiveness to the needs of both owners and operators is reflected in the £1.4billion of commercial ground rent investments we have made over the last few years”.*

## **About Alpha Real Capital**

Alpha Real Capital is a UK specialist management group focused on long income real assets, investing in real estate, infrastructure and other asset-backed markets. Founded in 2005, Alpha is owned by its partners and has over £3 billion of assets under management, including commitments. Alpha has a focus on long income investing, including freehold ground rents, social infrastructure, and renewable energy infrastructure.

ILIF is a commercial ground rent fund launched by Alpha in 2015 with the backing of leading UK defined benefit pension funds to invest in UK inflation linked commercial ground rents.

## **Enquiries**

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