Hospitality newsletter

Hospitality & Leisure Group

The newsletter is based on the information of news agencies and other open sources (Interfax Information Services, The Moscow Times, RIA News, Commercial Real Estate, PRIME-TASS News, ITAR-TASS World Service, Vedomosti, Prohotel, Commersant, RBK daily, Hotelnews.Ru, Frontdesk.ru, Rossiyskaya newspaper, HVS hospitality)
**Russia**

A new hotel Vertical will open near “Taganskaya” metro station in Moscow

A 4-storey administrative building located near “Taganskaya” metro station, built in 1908, is planned to be redeveloped into a 3-star hotel. The project will start in the autumn of 2018. The hotel will be managed by Becar Asset Management under Vertical brand. The hotel will offer 76 rooms for retail sale with average area of room 15 sq. m and also contain. This project will be 4th hotel for hotel Vertical.

Accor will open hotel “Novotel” in Saint Petersburg

Hotel Novotel Saint Petersburg Airport is planned to open in 2021. The hotel will be a part of mixed-use complex Status by Salut! located at 14, Pulkovskoe highway. The complex will include apartments, offices, sports center with swimming pool and restaurants. The development company is “SOYUZ INVEST DEVELOPMENT”.

The hotel “Okhtinskaya” located in Saint Petersburg is for sale

The 3-stars hotel “Okhtinskaya” located at Sverdlovskaya embankment, Krasnogvardeysky district, Saint Petersburg is for sale. The asking price of the hotel with 293 rooms is US 1.5 billion.

The sale price of Courtyard by Marriott in Irkutsk has decreased

The hotel is on sale within the framework of the law on bankruptcy. In an announcement as of August 3, 2018, the federal brokerage company “UpLot” lowered the asking price from 1.29 billion rubles to 799 million rubles. The hotel Courtyard by Marriott opened in Irkutsk in 2011. It was the first hotel of Marriott beyond the Urals. Total area of the hotel is 11,000 sq. m, the number of rooms - 208.

Construction of Hyatt in Rostov-on-Don is planned to be completed in 2019

According to information from Administration of Rostov-on-Don, construction of Hyatt Regency Don-Plaza-Rostov, located at Bolshaya Sadovaya street near the Krepostnoy lane, is planned to be completed in 2019. It is planned that hotel will offer 225 rooms, conference center, SPA, fitness center, swimming pool, office and retail premises. The total construction period of the hotel is more than 10 years.

AZIMUT Hotels will manage the second hotel in Yakutia

Starting in August 2018, the 3-stars hotel “Zarnitsa” of 83 rooms located in Mirny city will be managed by international hotel chain AZIMUT Hotels. The hotel will be developed by AZIMUT brand and called AZIMUT Hotel Mirny. It will be the second AZIMUT hotel in Yakutia. Since 2017 the hotel AZIMUT Hotel Polyarnaya Zvezda Yakutsk works under AZIMUT brand.

**Crimea**

Hotel Best Western Sevastopol changed its name

The company Best Western Hotels & Resorts was forced to cease cooperation with the Best Western Hotel Sevastopol. The hotel changes its name to "Hotel Sevastopol". The hotel is historically famous, it was built in the middle of the last century and in different years hosted well-known politicians and cultural figures.

Hotel “Crimea” put up for auction

The government of Crimea agreed to sell the hotel "Crimea". The minimum value of the hotel was estimated at 197 million rubles. The hotel is an object of cultural heritage and located in Moskovskaya street / K. Marksa street 1/6, Yalta.

Previously, the shares of three sanatoriums - “Miskhor”, “Ai-Petri” and “Dulber”. The winner of the auction was LLC "Management Company Infrastructure Projects". The shares of the “Miskhor” sanatorium were sold for 380.2 million rubles, “Ai-Petri” for 416.4 million rubles, Dulber for 702.7 million rubles.
Kazakhstan

The first Hampton by Hilton hotel opened in Kazakhstan

The Hilton Company opened its first Hampton by Hilton in Kazakhstan - Hampton by Hilton Astana Triumphal Arch for 114 rooms. The hotel is located in 20 minutes by car from international airport "Nursultan Nazarbayev", near the city center and its main places of interest.

Georgia

The Windham Hotels&Resorts will open hotel Super 8 by Wyndham in Batumi

Wyndham Hotels & Resorts will open Super 8 by Wyndham in Batumi in the end of 2019. It is the first Super 8 by Wyndham hotel in CIS. Super 8 by Wyndham Batumi has 150 rooms, a SPA facility, a restaurant, Lounge & Bar.

Hotel operators’ news

Radisson Hotel Group may change its owner

HNA Tourism and a consortium, led by Jin Jiang International Holdings Co., Ltd. announced the start of the agreements regarding, inter alia, the acquisition by the consortium of shares in Radisson Hospitality AB, owner of the Radisson Hotel Group. According to HNA Tourism company press release, the transaction will be held in several stages and is expected to close by the end of 2018. The Radisson Hotel Group includes 486 hotels located in 78 countries around the world.

The Belmond hotel chain can be sold

The hotel chain Belmond, operating in the luxury segment, announced that it is ready to consider options for raising additional share capital. The company owns 46 hotels, trains, restaurants and cruise liners. In Russia, Grand Hotel Europe in Saint Petersburg works under the Belmond brand.

PLAZA LOTUS GROUP will build a new format hotels

The company PLAZA LOTUS GROUP introduces investment hotels to the Saint Petersburg market. The first object of the new format will be invest-hotel IN2IT with a total area of 81,726 sq. m for 1,521 rooms (rooms up to 26 sq. m will make up 60%of the total rooms). The land plot for this project is located at the intersection of the Dunaysky and Vitebsky avenues, near the "Kupchino" metro station. The rooms will be sold with finishing, furniture and appliances. Completion of the construction is scheduled for Q4, 2020. The general contractor is company “YIT”. Investments in the project will amount to 4.3 billion rubles. The minimum threshold for entering the project for investors is set at 300,000 rubles (from 3 sq. m). The developer offers three investment programs with a guaranteed yield of 9%to 17.58%per annum.

AccorHotels has signed an agreement to 21c Museum Hotels acquisition

AccorHotels announces the signing of an agreement to acquire an 85%stake in 21c Museum Hotels, a hotel operator that unites the modern art museum, boutique hotels and author's restaurants, and currently operates 11 existing and under construction projects in the USA. The company 21c Museum Hotels was founded in 2006 in Louisville by Laura Lee Brown and Steve Wilson; philanthropists and collectors of contemporary art. The value of 85% of shares was US 51 million, taking into account the possibility to pay upon the results of the company. Real estate was not included in the transaction. It is expected that the transaction will be completed in the Q3 2018. The 21c Museum Hotels will join the collection of MGallery boutique hotels.

The company “Auroom Group” entered the hotel management market

Auroom Group is the Russian hospitality management company that provides a full range of project management services for 3-4-star hotels and gastronomic restaurants. In the near future, the company will
release an announcement about the name of the new hotel, which is planned to be introduced to the hotel market. Both directions will develop both in a complex and independently of each other.

**Cosmos Group announced a new hotel chain the Cosmos Hotels & More hotel**

The brand architecture includes 4 separate hotel chains, targeting different categories of guests: My Cosmos - for budget and modern city hotels, Cosmos - for classical business hotels, Cosmos Collection - for luxury hotels and CosmosStay for apart-hotels and apartments.

Within six months, the rebranding of the hotel “Onego Palace” in Petrozavodsk shall be completed, which will further works as the Cosmos Petrozavodsk. Until the end of the year it is planned to open an apart hotel CosmosStay Profsoyuznaya for 145 rooms in walking distance from the metro station "Teply Stan". In the near future, the rebranding will also affect five-star resorts under the management of the Cosmos Group: "Emerald Forest" and "Altai Resort".
For more information about the newsletter please contact:

Anna Levina, CCIM  
Manager, Hospitality & Leisure Advisory Services, Russia & CIS  
+7 (495) 662 9352  
Anna.Levina@ru.ey.com

Ksenia Panzhinskaya  
Account Manager, Business Development Department  
+7 (495) 755 9700, ext. 4554  
Ksenia.Panzhinskaya@ru.ey.com

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