

CITIZENM BED PARTNERS

Or why there may be more peer to peer transactions in future

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25 June 2019



01 APG Real Estate

1. We have got scale, and

€45.6BN

The APG Real Estate AuM as at March 2019

APG Real Estate is **one of the largest institutional Real Estate investors in the world**, providing access to a unique deal flow

| Institution Name | Country | Capital Committed to Real Estate (\$bn) |
|--|------------------------|---|
| Abu Dhabi Investment Authority (ADIA) | United Arab Emirates | \$62.1bn |
| Allianz Real Estate | Germany | \$48.2bn |
| Stichting Pensioenfonds ABP (APG) | The Netherlands | \$42.9bn |
| AXA Investment Managers | France | \$41.3bn |
| Nuveen | United States | \$40.6bn |

Source: PERE November 2018



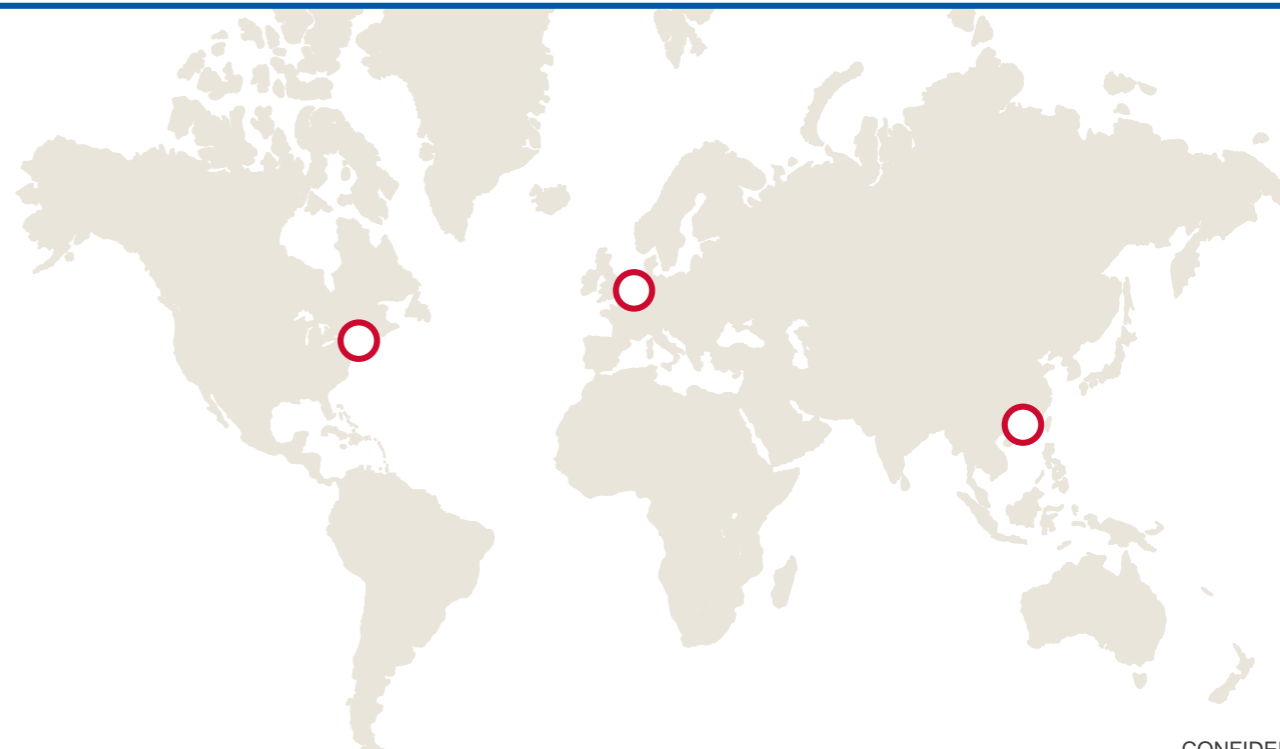
Investments are made into listed and private vehicles



Day-to-day management is performed by operating partners



39 investment professionals based in Amsterdam, New York and Hong Kong



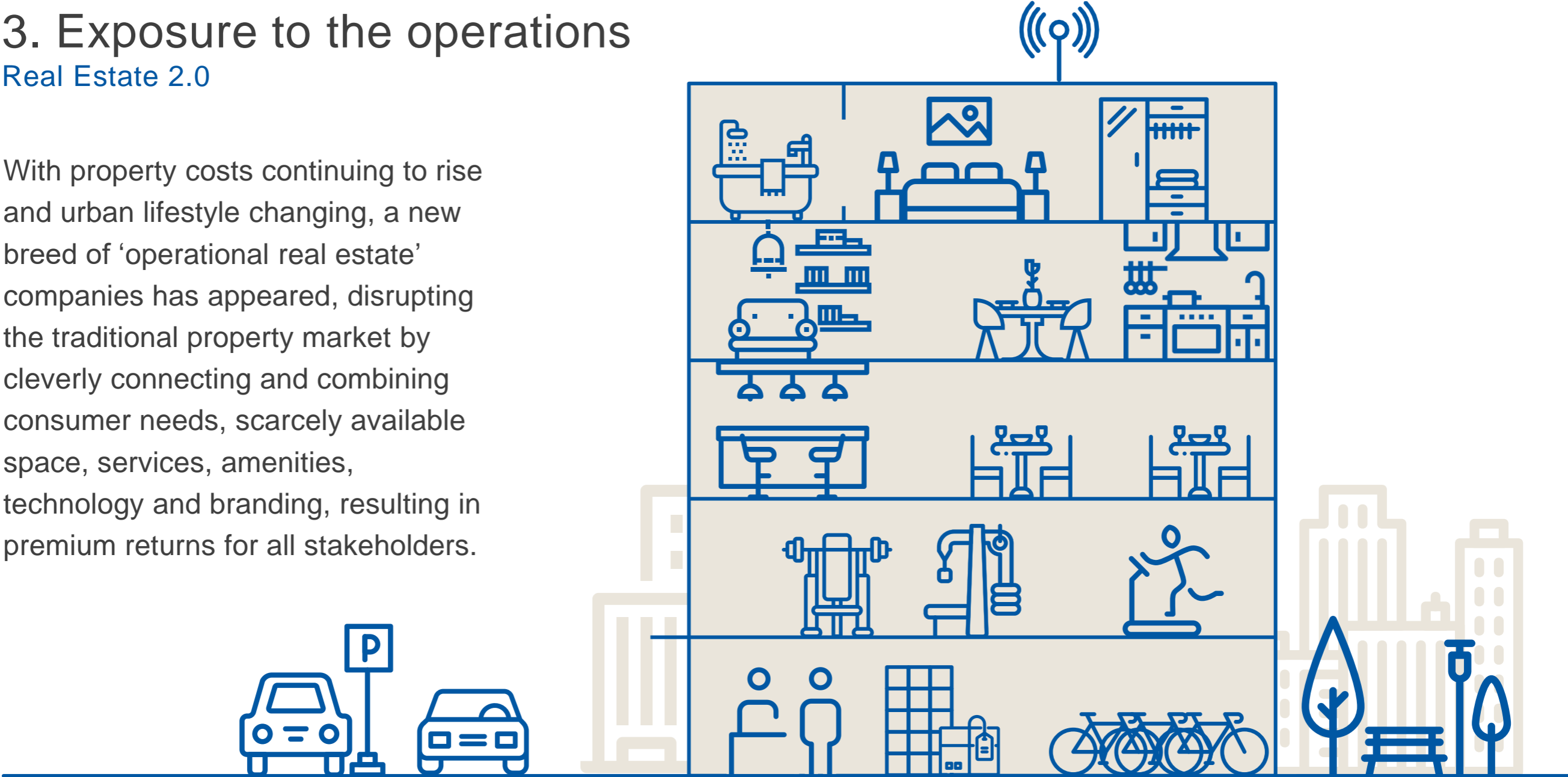
2. Listed and private RE is a single asset class



3. Exposure to the operations

Real Estate 2.0

With property costs continuing to rise and urban lifestyle changing, a new breed of 'operational real estate' companies has appeared, disrupting the traditional property market by cleverly connecting and combining consumer needs, scarcely available space, services, amenities, technology and branding, resulting in premium returns for all stakeholders.



4. Leveraging partnerships

Investment Approach

- > Partnerships are key to the successful further development of the portfolio
- > Club deals, JVs and Managed Platforms are our preferred route
- > Funds (and Secondaries) complement partnerships



CLUB DEALS

JOINT VENTURES

MANAGED PLATFORMS

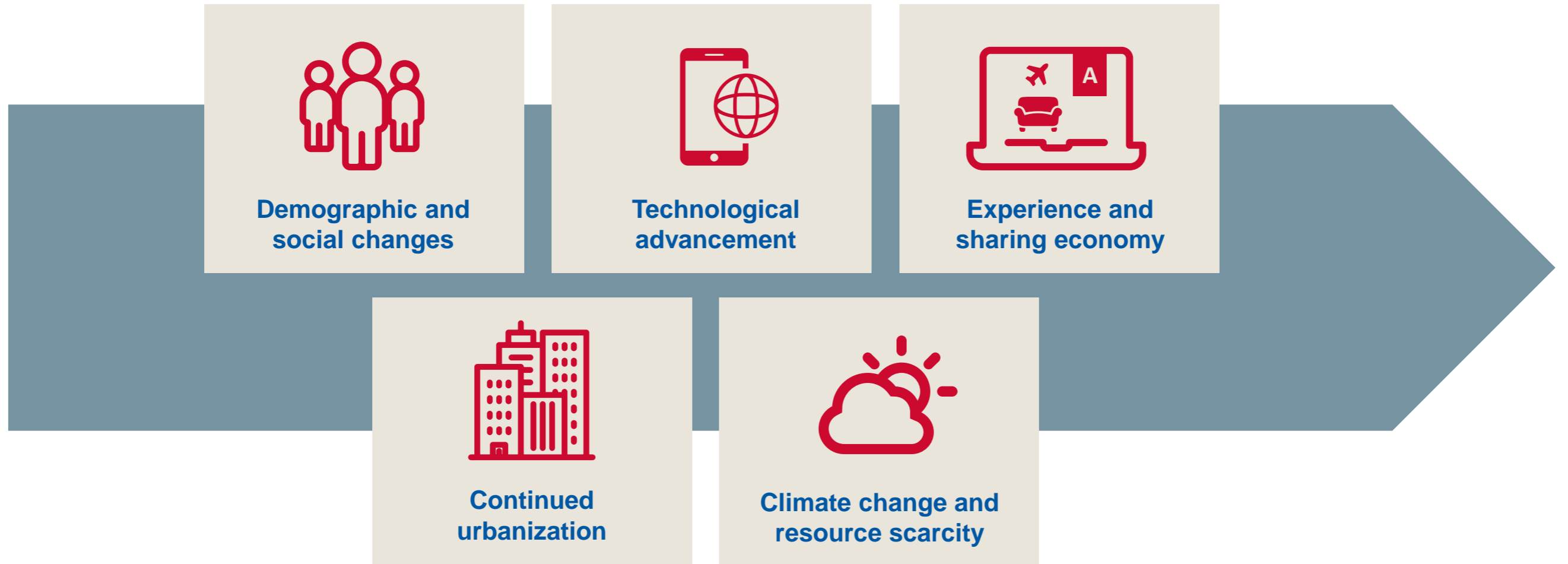
SECONDARIES

Advantages

- > Obtain targeted exposure and ability to steer our own portfolio composition providing distinct asset classes
- > Strong governance rights to ensure consistency between asset performance and our investment objectives (>70% of our investments have negative controls)
- > More cost efficient way of investing (base fees lowered by >35% during 2012-17)
- > Strong influence on ESG matters (RE 69% GreenStar, 53% 4/5 star GRESB rating, giving us EUR 22bn of SDI Investments)



5. Benchmark agnostic, guided by megatrends





02 citizenM

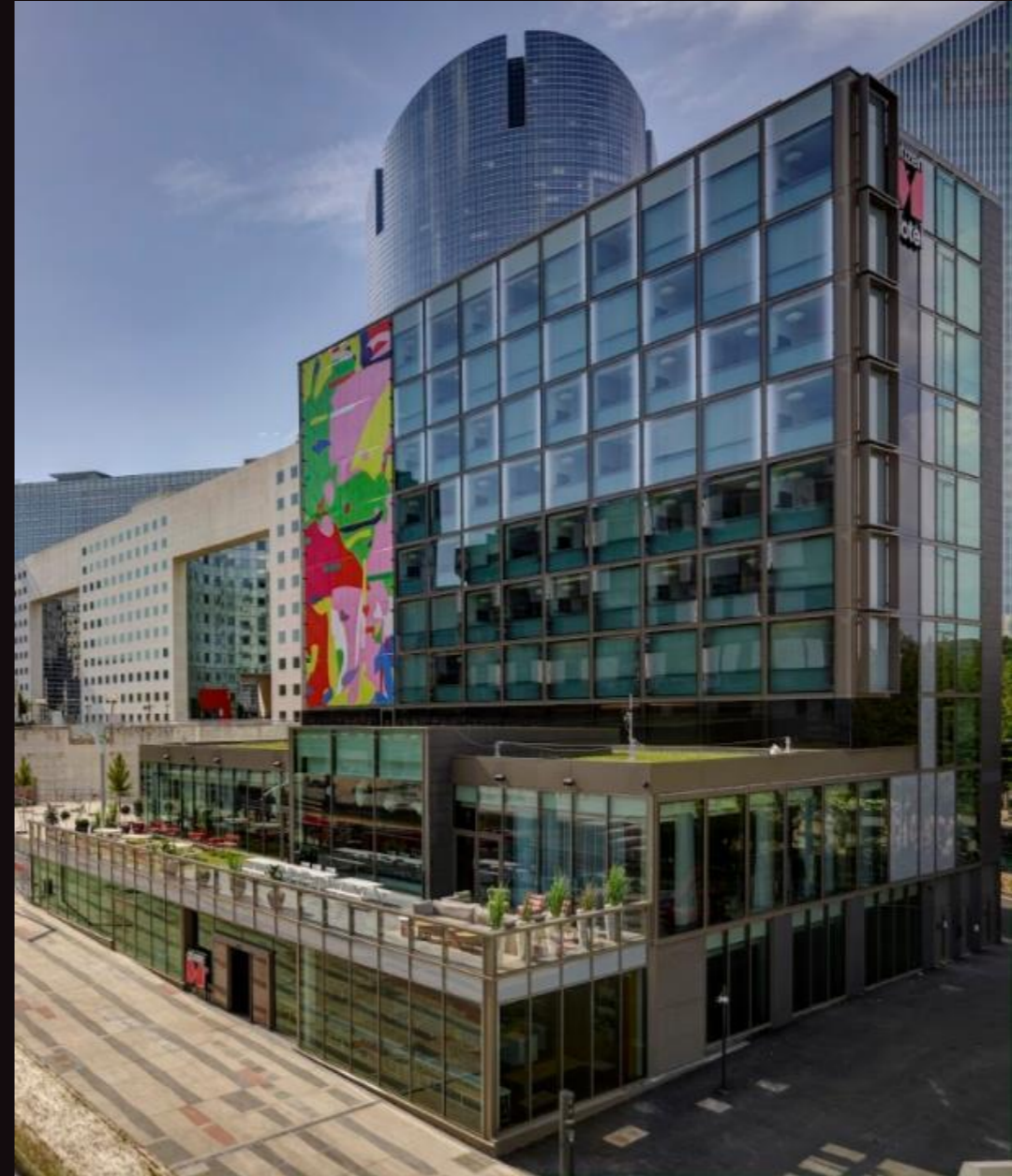


groundbreaking
not like any other hotel



mission

“to become the leading transformational hotel, inspiring the new generation of modern travelers in the big cities of the world by offering them an affordable luxury lifestyle, and provide sustained premium returns to stakeholders”



our value proposition

successful lifestyle brand
generating 'upscale' revenues

+

smart design
resulting in efficient usage of space

+

centralised, tech-based operations
delivering high profit margins

+

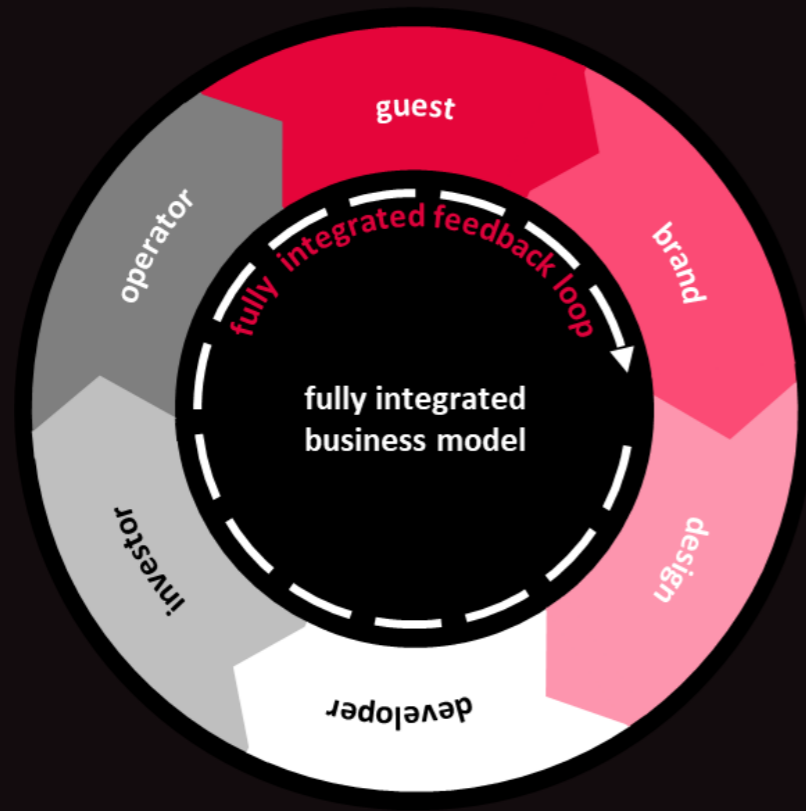
standardised construction
reducing development time and costs

=

highest profitability
per square meter

premium return on investment

fully integrated platform



owned brand

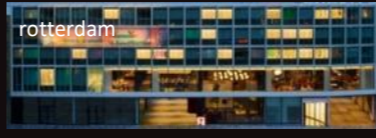
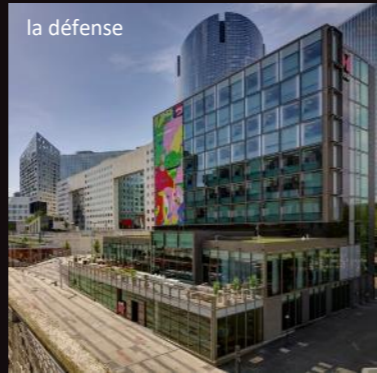
- consistent offering across network
- distribution benefits
- building subscribers network

real estate
development
and
ownership

- in-house design and development capabilities
- capture value creation and upside
- control roll-out

centralized
operations

- tech-enabled
- centralized operations in Amsterdam and New York
- local offices in London, Paris and Seattle



our hotels



16 hotels operational

North America

New York Times Square
New York Bowery

Europe

Amsterdam Schiphol Airport
Amsterdam City
Rotterdam
London Bankside
London Tower of London
London Shoreditch
Glasgow
Paris CDG Airport
Paris La Défense
Paris Gare de Lyon
Copenhagen Radhuspladsen

Asia Pacific

Taipei North Gate
Shanghai Hongqiao
Kuala Lumpur

90% owner operator



19 hotels under development

North America

Boston North Station - 2019
San Francisco Union Sq. - 2020
San Francisco SOMA - 2022
Seattle South Lake - 2019
Seattle Pioneer Square - 2020
LA Hollywood - 2021
LA Downtown - 2020
Washington DC Capitol - 2020
Washington DC NoMa - 2021
Miami Brickell - 2021
Miami South Beach - 2021
Miami Worldcenter - 2022

Europe

Amsterdam Amstel - 2019
Paris Opera - 2021
Paris Champs Elysees - 2020
Paris Porte Maillot - 2023
Zurich - 2019
Geneva - 2020
London Victoria - 2021

...and 5 more acquisitions under contract

85% owner operator

target cities

fact-based analysis and selection of cities

strong hotel market



topline performance, market size, market segmentation, recession resilience, budget-luxury gap, supply absorption

presence of target audience



attractiveness for millennials, attractiveness for leisure guests, innovative nature of city, strong city brand, quality of living

strong macro-economy



size of city, gdp per capita, unemployment, airport passengers, amount of visitors and bednights, construction cost

presence of business community



presence of international headquarters, global financial powerhouse, amount of business employees

healthy real estate market



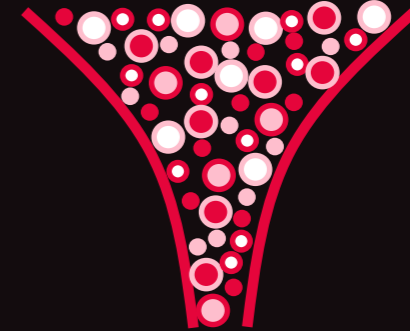
hotel transaction values, property market cycle, cap rate requirements, barriers to entry, strong development pipeline

availability of rollout opportunities



number of potential development opportunities relative to market potential (e.g. potential for multiple hotels in each city)

selective approach under well defined investment criteria



target cities

North America

Boston
Los Angeles
Miami
New York
San Francisco
Seattle
Toronto
Washington

Chicago
Denver
Austin
Nashville



Europe

Amsterdam
Barcelona
Copenhagen
Geneva
Hamburg
London
Milan
Munich
Paris
Rome
Stockholm
Zurich

Dublin
Frankfurt
Madrid



APAC⁽¹⁾

Shanghai
Sydney
Melbourne
Tokyo
Osaka
Kyoto

Hong Kong
Singapore
Beijing

in red cities with citizenM presence
(asset or project)

Notes:

1. through local partnership(s)

citizenM says:

**choose a hotel
with a head for
luxury and an
eye for value**



www.citizenm.com/global/company



03 Positioning for the future

Other existing platform investments

