Information memorandum

Hotel Schloss Lieser

A pearl on the Moselle

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Investment priorities

- Historical fairytale castle from the 19th century, which was built from 2007-2018 has been restored to the highest standard and converted into a luxury hotel

- Geothermal heat pump, air conditioning in all guest rooms, high-quality installations, noble materials, little maintenance on the building because of the natural structure of basalt and slate

- Unique location between the banks of the Moselle and vineyards, integrated into the local community of Lieser. Lieser belongs to Bernkastel-Kues, the tourist center of the region. The Verbandsgemeinde Bernkastel-Kues has approx. 28,000 inhabitants in relation to 1.4 million overnight stays per year by tourists.

- Boutique hotel with 50 elegantly furnished hotel rooms and suites with a picturesque view of the Moselle or vineyards

- Main restaurant, 2 side restaurants, a bar, a wine cellar, terrace and outbuildings with 2-storey ballroom including courtyard terrace, bar and professional kitchen.

- The castle's own chapel and the registry office form the perfect setting for weddings. Church and civil weddings are permitted.

- Spa area with marble pool, underground car park, castle library and park

- Lease with Odyssey Hotel Group, franchisee of Marriott. Hotel Schloss Lieser is managed as the first Marriott Autograph Collection Hotel in Germany.

- Achieved according to DEHOGA Hotel Schloss Lieser awarded the category “5 Star Plus”.

- Lease contract valid until 2038 plus 2x 5-year extension options. The lease can be taken over or canceled for a transfer fee.

- Excellent service and experienced management by the luxury hotel group Marriott, which has the world's best collection of 5-starPkus luxury real estate operates

- Additional development potential through already planned Extension of a hotel's own boat mooring

- Own bank in front of the castle with lawn for sunbathing

numbers

Lease: by 2038
Extension option 2x 5 years
Tenant: Odyssey Hotel Group franchisee
→ Marriott's largest franchisee in Europe
Marriott International franchisor
Brand: Marriott Autograph Collection

Minimum rent: 750,000.00 euros per year
Sales lease: 20%

year	Minimum rent	Sales lease
2019	€ 350,000.00	16.0%
2020	€ 450,000.00	17.5%
2021	€ 650,000.00	17.5%
2022	€ 750,000.00	20.0%

2020: First active year of operation of the hotel!
COVID disadvantage: partially shut down
No weddings
No events or product presentation
Restricted use of restaurants (1 of 3 restaurants with only 25 tables)
Outbuildings (event hall, catering) closed

Hotel Schloss Lieser is a driving force behind the Marriott Autograph Collection:

Highest occupancy rate August 2020 Europe and
2nd place for entire region EMEA = Europe, Middle East, Africa

region	hotel	Occupancy rate (already adjusted)
Middle East	Riyadh	100%
Europe	Lieser Castle	97%
Middle East	Doha	97%
Middle East	Abu Dhabi	96%
Middle East	Al Ain	92%
Europe	Montpellier	91%

sales 2020 IST with Corona in thousands of euros

Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
3.110	148	235	99	0	47	314	490	550	556	494	27	150
			01-14 March open	Total Lock Down	May 29th-31st open						Total Lock Down	Partially Lock Down

Lease income 2020 IS with Corona in thousands of euros

	2020	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Minimum rent	450	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5
Sales lease	236.8	0	3,625	0	0	0	17.45	48.25	58.75	59.8	48.95	0	0
total	**686.825**	37.5	41.125	37.5	37.5	37.5	54.95	85.75	96.25	97.3	86.45	37.5	37.5

Sales forecast and lease forecast 2022 WITHOUT Corona

2022	€
Sales Room	3,220,000
Sales F&B	5,366,000
Sales Other	358,000
Total turnover	**8,940,000**
Minimum rent	750,000
Sales lease	1,788,000
total	**1,788,000**

		2022		2023	
Rooms sold		14.308		14.308	
Rooms total		17.885		17.885	
Occupancy		80%		80%	
Average roomrate	(excl. Tax)	225		230	
Revpar		180		184	
Revenu					
Rooms		3.219.300	36,00%	3.290.840	36,00%
F&B		5.365.500	60,0%	5.484.733	60,0%
Telephone		0	0,00%	0	0,00%
Parking		357.700	4,00%	357.700	4,00%
Total Revenu		**8.942.500**	100%	**9.133.273**	100%
Margin rooms		2.253.510	70,00%	2.369.405	72,00%
Margin F&B		1.877.925	35,00%	1.919.657	35,00%
Margin telephone		0	0%	0	0%
Margin Parking		339.815	95,00%	339.815	95,00%
Total Margin		**4.471.250**	50,00%	**4.628.876**	50,68%
Admin & General costs		-308.493	-3,45%	-314.663	-3,45%
Credit card		-107.310	-1,20%	-109.599	-1,20%
Sales & Marketing		-339.815	-3,80%	-347.064	-3,80%
Property maintenance		-357.700	-4,00%	-365.331	-4,00%
Utilities		-86.595	-0,97%	-88.326	-0,97%
International sales		-134.138	-1,50%	-136.999	-1,50%
Total other expenses		**-1.334.050**	-14,92%	**-1.361.983**	-14,91%
House Profit		**3.137.200**	35,08%	**3.266.893**	35,77%
Franchise fee 4% Rooms	4,00%	-128.772	-22,53%	-131.634	-23,04%
Franchise fee 2% F&B	2,00%	-107.310	-2,19%	-109.695	-2,24%
GOP		**2.901.118**	**32,44%**	**3.025.565**	**33,13%**
Taxes / Insurances	1,5%	-134.138	-1,5%	-136.999	-1,5%
AGOP Hotel		**2.766.980**	30,94%	**2.888.566**	32,30%
FF&E Reserve	variable	-268.275	3,00%	-273.998	3,00%
NOP Hotel		**2.498.705**	27,94%	**2.614.568**	28,63%
Rent 20% of TR		1.788.500	3.042	1.826.655	3.107

Get the data: Average room rate prognosis versus actual

Germany - Europe's stable location

Germany's strong economy attracts international investors.

Gross domestic product (GDP) Germany in 2020:	3.44 billion euros
Gross domestic product per capita 2020:	approx. 41,500 euros
Population (2020)	83.2 million

Germany has had the highest proportion of domestic trips within Europe for decades.

Over a period of 10 years (2009-2019) the number of overnight stays in Germany has been steadily increasing.

The German investment market for hotel real estate was strong in 2019 in terms of transaction volume 5 billion euros.

Germany's top mark in the country rating:

	S&P	Moody's	Fitch
Germany	AAA	Aaa	AAA

Source: Börsen-Zeitung, as of August 2020

Visiting Lieser Castle in the first year

Elon Musk (Tesla) with board

Federal President Steinmeier

All ambassadors of the world stationed in Germany (approx. 140 people)

State Secretary in the Federal Ministry Rainer Bomba

State Secretary Rhineland-Palatinate Daniela Schmitt

Head chef at Schloss Lieser

Wolfgang Pressler

Learned with Johann Lafer, then sous chef in the 3-star Aqua restaurant in Wolfsburg

Best Young Chef and Rolling Pin Sous Chef of the year 2019

Guest chefs at Lieser Castle

Harald Wohlfahrt ***
Wolfgang Becker **
Thomas Schanz **
Philipp Probst *
Renato Manzi *

Regionally very high density of star restaurants and upscale gastronomy

1. Sonnora in Dreis (3 stars) 20 km
   https://www.hotel-sonnora.de/restaurant

2. Piesport Hotel / Restaurant Schanz (2 stars) 14 km
   https://www.schanz-hotel.de/

3. Becker's in Trier (1 star) 40 km
   http://www.beckers-trier.de/

4. Restaurant Altes Kelterhaus in Wintrich (1 star) 7 km

5. Wine and table house in Trittenheim (1 star) 21 km
   https://www.wein-tafelhaus.de/

6. Rittersturz Veldenz 5 km
   https://www.rendezvousmitgenuss.de/

7. Restaurant 1640 in the fairy tale hotel Bernkastel 5 km
   https://maerchenhotel.com/restaurant-bernkastel/

8. Restaurant Lekker in Neumagen 17 km
   http://www.hotel-lekker.com/speisekarte.htm

9. Belle Epoque restaurant in the Hotel Bellevue in Traben-Trarbach 27 km
   https://bellevue-hotel.de/das-mehrfach-ausgenahm-restaurant-belle-epoque/

10. Culinarium in the Hotel Richtershof in Mülheim 3 km
    http://www.weinromantikhotel.com/de/gaulfreuden/culinarium-r/

11. Saxler's in the Hotel St. Stephanus in Zeltingen 12 km
    https://www.hotel-stephanus.de/saxlers-gourmet-restaurant.html

12. Walter Curman in Nittel 60 km
    http://www.culinarium-nittel.de/culinarium.html

In Trittenheim (21 km) Raphael Ianniello and Harald Wohlfahrt (3 stars) founded an event company. They also organize events at Schloss Lieser.

reachability

INSERT: Map with surrounding airports and major cities

#	target	Distance in km	Driving time in hours (car)
1	Luxembourg	90	1.0
2	Frankfurt am Main	155	2.0
3	Rhine-Ruhr area (Düsseldorf)	200	2.5
4th	Brussels	260	3.0
5	Stuttgart	300	4.0
6th	Amsterdam	400	4.5
7th	Paris	450	4.5
8th	Munich	500	6.0

Facts

address	Moselstrasse 33, 54470 Lieser
Property size	Approx. 13,000 m² (without bank)
Floors	1 ground floor, 1 Bel floor, 2 upper floors and 1 top floor
Usable area	Castle: approx. 7,000 m²; Remise: approx. 2,000 m²
Construction year	Castle: 1885 right wing, 1906 left wing Remise: 1885 Restoration: 2011-2018
Rooms & suites	A total of 50 rooms & suites (1 single room, 41 double rooms, 3 apartments, 5 suites)
F&B	3 restaurants plus an outdoor terrace, 1 wine cellar, 1 bar, 1 lounge, 1 library, 1 two-storey event hall + inner courtyard + bar + professional kitchen
Spa and wellness area	1,000 m² spa area: 1 indoor swimming pool, 3 treatment rooms, 1 Cleopatra bath, 2 relaxation rooms, 3 saunas, 1 steam bath, 1 infrared cabin, 1 fitness center
Parking spaces (garage)	34 indoor and 8 outdoor parking spaces on site, 20 own parking spaces in front of the park
Elevators	2 passenger, 1 freight elevator
heater	Climate-friendly, ultra-modern new geothermal system (2017) →Air heating and cooling instead of freezing. Everything is done electronically. Geothermal heat pump.
Air conditioning	All guest rooms; all public areas with the exception of the chapel
Energy certificate	Renovation of the castle according to EnEV 2016 (Energy Saving Ordinance), Remise according to EnEv 2010

Function rooms

	Size in m²	PAX				
		theatre	houses of Parliament	block	U	banquet
chapel	28	20th	0	0	0	0
Breakfast restaurant	63	60	50	36	30th	35
Hunting room	27	32	32	28	20th	22nd
Kaiser Wilhelm II restaurant	95	60	46	36	32	46
bar	50	18th	18th	18th	12th	16
Lounge	26	18th	18th	18th	12th	16
Library	45	18th	18th	20th	0	15th
terrace	190	140	140	100	90	100
Ballroom (Remise)	108	80	80	60	50	60
Inner courtyard (Remise)	196	140	96	82	Fountain	100

Floor plans

Insert floor plans