



## Prague: Erste Bank arranges debt financing for acquisition of Marriott Hotel by US investor

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The Prague Marriott hotel and the adjacent "Millenium Plaza" office and retail complex have been sold on 14 July by Austrian IDAG to Walton Street Capital, L.L.C., a Chicago based real estate investment company. The transaction costs amounted to approx. EUR 130 m.

The 5\* Marriott hotel belongs to the most recognized luxury hotels in Prague, the "Millenium Plaza" with 16,200m<sup>2</sup> office accommodation and an underground car park with 425 spaces is regarded as one of the best commercial real estate properties in the city. In the past, the Marriott hotel has demonstrated excellent trading performance with more than 100,000 overnight stays per year, according to industry sources. In addition, the future outlook continues to look positive.

In spite of competition from international financing institutions, Erste Bank was mandated by Walton Street Capital to arrange the entire debt financing for the transaction. This included the structuring, arranging and underwriting of two loans covering a majority percentage of the transaction costs, with the balance being funded by Walton Street Capital and its partners' own funds. The financing structure with a loan tenor of seven years has been designed to meet the requirements of international real estate investors.