



**RADISSON**  
HOSPITALITY COMPLEX  
— BUCHAREST —







## INTRODUCTION

On behalf of BEA Hotel Eastern Europe B.V ("Ownership" or the "Owner"), JLL's Hotels & Hospitality Group as the sole and exclusive advisor is pleased to offer qualified investors the opportunity to own the Radisson Hospitality Complex ("Hotel", "Hotels", "Property", "Properties", "Complex"), comprising the 424 guestroom Radisson Blu Hotel Bucharest ("Radisson Blu") including 63 serviced apartments, the 210 guestroom Park Inn by Radisson Bucharest Hotel & Residences ("Park Inn") with 66 un-refurbished serviced apartments and a retail gallery that includes a state-of-the-art fitness centre, casino and leading retail brands.

Occupying a prime location on the city's most prominent thoroughfare, the Calea Victoriei, the Hotel is just steps from popular attractions such as the neo-classical landmark the Romanian Athenaeum and the National Museum of Art. Offered for sale with the benefit of the freehold interest and Carlson Rezidor management agreements, the Hotels represent Bucharest's best-in-class properties.

The offering presents a "ground floor" opportunity to acquire institutional quality hotel real estate in one of Europe's fastest growing economies - 4.96% GDP growth in 2016 and 3.76% forecast for 2017 - and the compelling benefit of significant and established free cash flow for an incoming investor.



## KEY INVESTMENT HIGHLIGHTS

### The best performing Property in Bucharest

- Due to its prime location and high product standard, the Hotels have quickly established themselves as market leaders within the 5-star and 4-star segments respectively;
- Some of the Hotel's restaurant offerings are positioned amongst the most sought after dining venues in Romania's capital, significantly supporting the image of the Hotels amongst locals;
- The collective offering of the Complex provides it with a clear competitive edge over the market and the flexibility to target high yielding corporates and discerning leisure guests throughout the year in a booming market

### Tremendous in-place cash flows

- The Radisson Blu has produced excellent cash returns since its opening in 2008 and further synergies between the two Properties are to be recognised in the near term as the Park Inn continues to stabilise;
- Benefiting from a fully converted product, the Park Inn by Radisson which was only recently completed in September 2015 is anticipated to experience considerable growth over the short to medium term as it continues to ramp up beyond its competitors;
- The combination of low branded supply (approx. 50%), a limited rooms pipeline and the growth of the MICE segment in the city is expected to translate into ADR increases for both Properties

### A thriving hospitality scene with impressive market fundamentals

- As a rapidly emerging destination, Europe's 6th largest city has established a balanced mix of demand from corporate and leisure segments yet stands to benefit from nearly boundless growth potential as the country and the city itself integrate deeper into the European Union;

- Underlying visitation has taken off since 2009 closely tracking economic expansion with increases in overall tourist arrivals and overnight stays of 12% and 15%, respectively, in 2016;
- The Bucharest hotel market has experienced a surge of RevPAR growth in recent years registering 6% compounded growth since 2010 - this trend is set to continue as Romania's economy goes from strength to strength and Bucharest International Airport expands further into key European markets

### A retail offering with prime, name-brand tenants

- Located on the main shopping boulevard in Bucharest, the Property's commercial offering includes the country's flagship Burberry store, World Class Health Academy, Porsche Design, the city's premier casino and a selection of high-end boutique retailers;
- The retail component of the Complex is expected to benefit from anticipated upward pressure on rental levels over the coming years and there is excellent scope to optimise the current configuration to maximise frontage on the Calea Victoriei, the city's foremost destination for luxury shopping

### A number of tangible value-add opportunities

- The conversion of the 66 un-refurbished serviced apartments at the Park Inn would increase the branded capacity of the Property and drive significant bottom-line growth to the Complex as already demonstrated by the conversion of the Park Inn in 2015;
- Several potential targeted ROI projects have been identified within the Food & Beverage offering to help drive greater profitability including reconfiguring certain outlets for alternative uses and as leased space



Radisson Blu Bucharest from Calea Victoriei



Park Inn from Strada Luteran





## OVERVIEW OF THE COMPLEX

Developed in 2008 with the sole aim of creating Bucharest's leading luxury hotel the Complex now encompasses approximately 86,000 sq. m. of prominently situated real estate, 763 generously apportioned guestrooms and apartments, two internationally branded and managed Hotels and over 20 premium retail tenants.

The Radisson Blu occupies the eastern side of the block with access from Calea Victoriei while the Park

Inn is situated on the western side with access from Strada Luterană. Guests have shared access between the facilities of both Properties, which are connected by an internal corridor.

The Radisson Hospitality Complex occupies a prime street block site situated between the capital's historic Old City and the Central Business District - home to numerous government institutions and corporate occupiers.

### Complex Overview

Address	Calea Victoriei 63-81, Bucharest, 010065, Romania
Tenure	Freehold
Gross Built Area	9 buildings totalling approx. 86,000 sq. m.
Site Area	Approx. 15,800 sq. m.
Star Rating and Opening Year	Radisson Blu - 5-star (2008) Park Inn by Radisson - 4-star (2015)
Management	Two separate management agreements with Carlson Rezidor
Guestrooms and Apartments	763
Food and Beverage	8 venues across both Hotels
Meeting & Events Space	15 meeting venues accommodating up to 670 people, totalling 1,800 sq. m.
Retail Tenants	24 Tenants, 7,460 sq. m. of total space
Other Amenities	- World Class Health Academy with a 22-metre swimming pool, jacuzzi, sauna and fitness centre (complimentary access for guests); - Inner courtyard and outdoor swimming pool; - Bali Spa; - 177 car parking spaces

Note: all guestrooms and apartments are managed by Carlson Rezidor



- HOTEL
- 66 UN-REFURBISHED UNITS
- RETAIL
- CASINO



National Museum of Art of Romania

STRADA STIRBEI VODA

UN-REFURBISHED APARTHOTEL

Sharkia Restaurant

Poolside Bar & Grill



Burberry

Outdoor Swimming Pool

Elite Aparthotel Radisson Blu

UN-REFURBISHED APARTHOTEL

ENTRANCE

World Class Health Academy

Platinum Casino

Taxi Stand

Caffé Città

Casa Frumoasa

Porsche Design Shop

CALEA VICTORIEI

STRADA GEORGE ENESCU





## CORE CITY CENTRE LOCATION

The Property is situated on the Calea Victoriei (Victory Avenue), a renowned and upmarket north-south thoroughfare that runs into the heart of Bucharest connecting the Central Business District ("CBD") with the popular Old Town. Historically, the road played a vital role in the city's economic influence over the region and was the residence to its most prominent citizens. Today, it is a hub for well-heeled shoppers, restaurants, art galleries and museums.

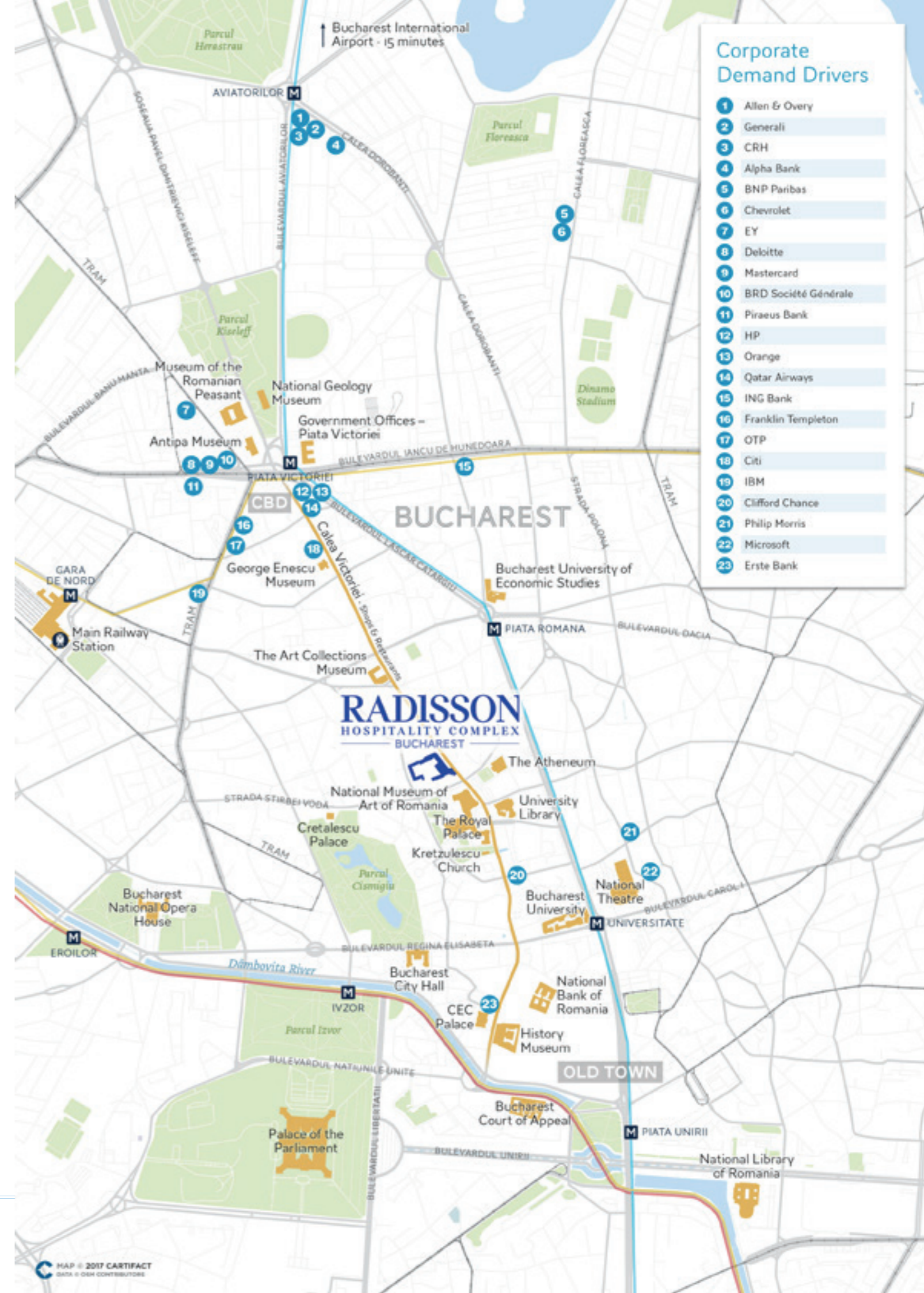
Midway between the CBD and the Old Town, the Radisson Blu rises 9 storeys above Calea Victoriei whilst enjoying an exceptional degree of visibility and presenting visitors with the 5-star hotel in Bucharest. The Property is a short distance from major tourist attractions such as the neo-classical landmark, the Romanian Athenaeum, Royal Palace and Palace of the Parliament – the world's second largest building.

A major draw for leisure tourists, the city's most distinguished museums the National Museum of Art, the National Museum of Romanian History, the George Enescu Museum, Antipa Museum and the National Geology Museum are all within a 15 minute stroll.

Attracted by competitive wages, low corporation tax and EU membership is an ever-growing base of corporates shifting operations to the city including global multi-nationals such as Microsoft, CITI Bank, IBM, Qatar Airways and HP among numerous others.

The Property offers exceptional connectivity to the main transport hubs with access to regional and continental markets. The central train station, Gara de Nord, provides direct daily rail connections to key European capitals, such as Budapest, Istanbul, Kiev, Moscow, Sofia and Vienna and is approximately a 10 minute drive away.

Henri Coanda International Airport, the country's largest and one of the fastest growing airports in Europe, can be reached in 20 minutes by car.

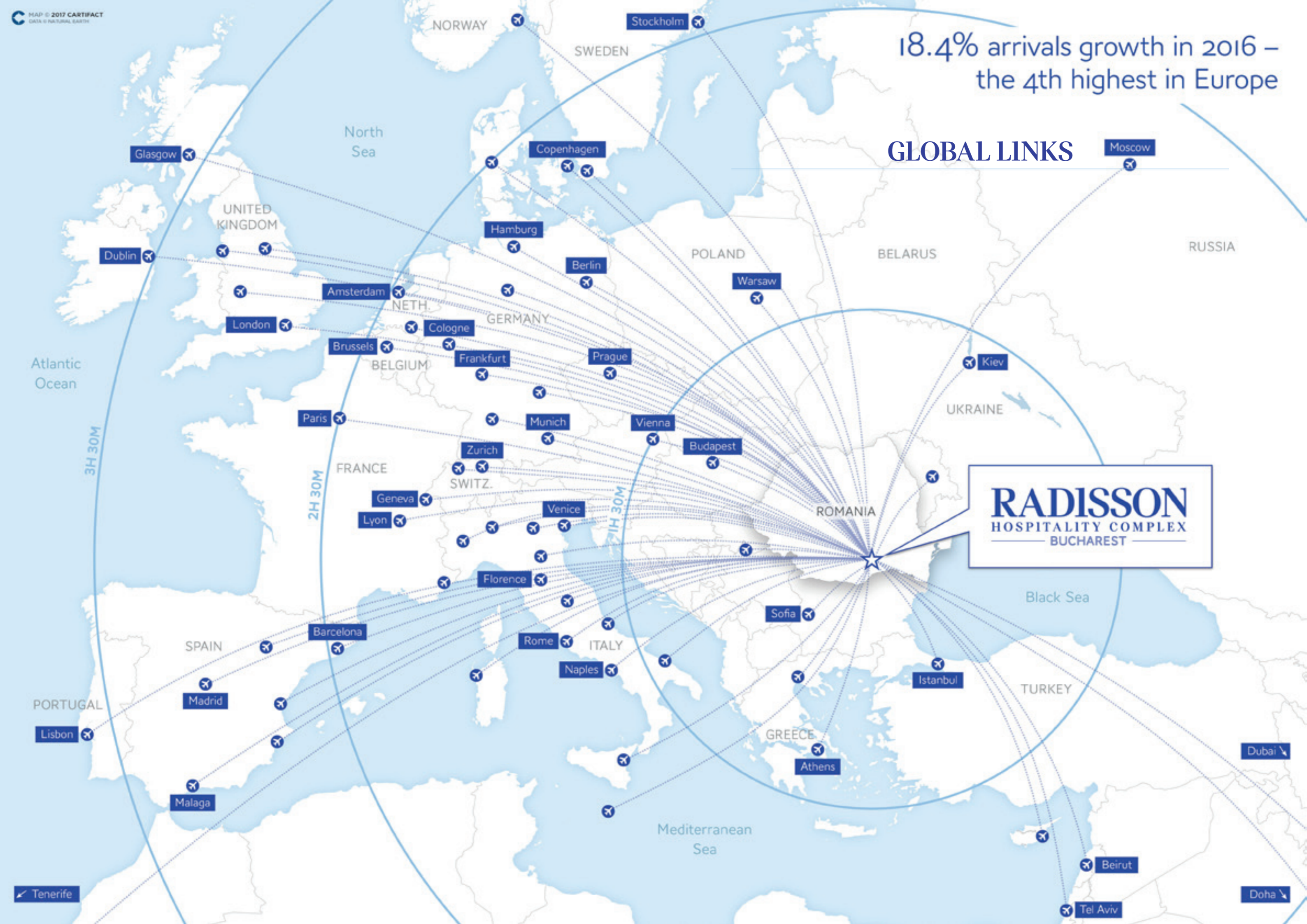




18.4% arrivals growth in 2016 –  
the 4th highest in Europe

## GLOBAL LINKS

**RADISSON**  
HOSPITALITY COMPLEX  
— BUCHAREST —







## OVERVIEW OF RADISSON BLU

The Radisson Blu is positioned amongst the leading properties in the city, boasting an impressive ice sculpted lobby bar and a spectacular atrium staircase to ensure a memorable sense of arrival. The Property comprises 424 contemporary styled guestrooms and 63 Elite apartments, four on-site restaurants – Prime Steaks & Seafood, Dacia Felix Restaurant, the Italian Caffé Città and the Pool Side Grill & Bar – and three

bars – Bla Lounge, Dark Bla Bar, and the Light Bla Terrace; Bali Spa and conference facilities that can accommodate up to 670 delegates with 11 flexible and state of the art meeting spaces.

All guests have complimentary access to the World Class Health Academy, the only outdoor hotel pool in the city, hot tub, shops and a casino.

Name	Radisson Blu Hotel Bucharest
Rating	5-star
Opening Year	2008
Guestrooms	424 guestrooms and 63 Elite apartments
Food & Beverage	Dacia Felix (main restaurant), Prime Steaks and Seafood (steakhouse), Bla Lounge Lobby Bar (bar), Dark Bla Irish Pub, Caffé Città (Italian restaurant) and the Pool Side Grill (outdoor restaurant)
Meetings & Events	11 meeting rooms totalling 1,780 sq. m.
Other facilities	- Business Class Lounge - Bali Spa - 69 indoor and 30 outdoor car parking spaces



## GUESTROOMS AND APARTMENTS

The guestrooms and apartments feature elegant interiors by Buki Zuker that cater to the needs of discerning, well-travelled guests and are equipped with a host of modern amenities including a SMART LED TV and complimentary high-speed wireless internet, expansive windows, bath tub and walk-in monsoon showers.

The Hotel benefits from six upscale guestroom categories including four categories of suites all offering an abundance of space with guestroom sizes averaging 30 sq. m. Three impressive suites complete the offering, all together providing the sales team with a full range of options at their disposal when negotiating group contracts, weddings and upgrades for distinguished guests.

The luxurious 270 sq. m. King Ferdinand and Queen Marie Royal Suite includes a living room with a glass wall providing views across the inner courtyard and

garden, a private sauna and smart controls for lights, temperature and curtains from the convenience of a tablet.

Two opulent two-bedroom Elite Presidential Suites, which have played host to a number of celebrities to date, boasts floor to ceiling windows overlooking the city and Hotel courtyard, an attractively modern appointed dining and living area complete with fireplace, a fully equipped kitchen and discreet access on a private floor.

For extended stay guests, the Elite Apartments feature an array of upscale suites including a living and dining area and fully equipped kitchenettes. The Elite Apartments' guests benefit from a separate private entrance - although rooms are accessible from the Radisson Blu - and all facilities of the Radisson Blu Hotel including the breakfast buffet and complimentary entrance to the Business Lounge.

Room Type	Count	Size (sq. m.)
Standard	311	22
Business Class	74	27
Junior Suite	21	37
Suite	17	46
Royal Suite	1	226
<b>Total</b>	<b>424</b>	<b>25</b>

Apartment Type	Count	Size (sq. m.)
1 Room Elite	48	43
2 Room Elite	5	60
Elite Executive	8	82
Elite Presidential	2	229
<b>Total</b>	<b>63</b>	<b>55</b>



Royal Suite Bedroom



Business Class Room









Pool Side Grill & Bar



Prime Steaks & Seafood

## FOOD AND BEVERAGE

Located just off the Bla Lounge Bar, the **Prime Steaks & Seafood** restaurant offers high end steak & seafood dishes in a contemporary rich design that boasts a walk-in wine cellar with over 150 vintages of wine and iPad featured menus.

Benefiting from direct access from the famous Calea Victoriei, the Italian restaurant and café, **Caffé Città**, features an open kitchen providing diners a casual and relaxing atmosphere. During the summer months, the restaurant has a popular terrace fronting onto Calea Victoriei.

**Dacia Felix** is the Hotel's modern breakfast restaurant serving an extensive buffet to over 200 guests at a time. The restaurant can only be accessed through the Hotel lobby and has access to the outdoor terrace and to the Light Bla Terrace. The venue received a thorough refurbishment in 2016.

The exclusive and classic bar and lounge - **Dark Bla** - targets spirit connoisseurs with a beverage selection of over 67 fine single malts, sophisticated cognacs, high quality cigars and other designer cocktails. There is scope to update the offering of this space and consider alternative uses.

The centre of focus for the Hotel - **Bla Lounge Bar** - is often used as a meeting place during the day and a destination bar at night with guests and non-guest alike taking in the live music, ice sculptures and water features circling the bar.

An outdoor extension of the Bla Lounge Bar - **Light Bla Terrace** - boasts beautiful external views over the pool and the garden and has so far been utilised mainly for private events. The space is scheduled to be converted to a destination sushi restaurant in July 2017.

**Pool Side Grill** is opened for five months in the year and is located in the centre of the Hotel garden surround by exotic plants overlooking the pool. The Grill is used during the night as a chill-out area with live music five days a week including on Sunday's when the Hotel hosts a popular outdoor brunch.

The Pool Bar is another seasonal venue open to guests and non-guests alongside the Pool Side Grill. The bar services the sun beds at the pool and during the evening turns on a DJ & live music entertainment. The menu features healthy conscious fresh juices and smoothies as well as salads and summer snacks.

Outlet	Seating Capacity	Size (sq. m.)
Prime Steak & Seafood	44	100
Caffé Città	124 & 60 on the terrace	320
Dacia Felix	216	350
Dark Bla Bar	40	60
Bla Lounge Bar	60 lounge & 30 bar	200
Light Bla Terrace	30 lounge / 70 cocktail	150
Pool Side Grill & Bar	70 & 10 bar	165





Bla  
LOUNGE BAR

Bla  
LOUNGE BAR





Meeting Room - Banquet configuration



Atlas Ballroom - Cabaret configuration

## MEETING FACILITIES

The Radisson Blu is perfectly placed to host any type of event with 1,800 sq. m. of flexible conference facilities across 11 contemporary spaces on the designated mezzanine level. All of the meeting rooms are equipped with high speed internet, plasma displays screen and state-of-the-art audio-visual equipment. Specifically focused on utilising technology to enhance delegates' experience, the meeting rooms are also integrated with DigiChart, innovative digitalised flip charts that can

synchronise the meeting notes at a single click. Each of the 11 meeting spaces enjoy floor-to-ceiling windows providing plenty of natural light.

In the warmer months, the opportunity exists for guests to host gala dinners and al fresco events in the inner courtyard a unique and exclusive offering within Bucharest.

Meeting Rooms	Size sq. m.	Banquet	Cabaret	Reception	Theatre	Classroom	Boardroom	U-Shape
Atlas 1	264	180	90	325	250	150	48	60
Atlas 2	271	180	90	325	250	150	48	60
Sterope	43	20	18	30	30	27	14	15
Merope 1	45	20	18	30	30	27	15	15
Merope 2	43	20	18	30	30	27	15	15
Electra 1	43	20	18	30	30	24	15	15
Electra 2	43	20	18	30	30	24	15	15
Maia	46.5	30	18	30	30	24	18	18
Taygete	56	30	24	30	30	30	18	18
Caleano 1	50	30	21	30	30	30	18	18
Caleano 2	48	30	21	30	30	30	18	18
Alcyone 1	48	30	21	30	30	30	18	18
Alcyone 2	46	30	21	30	30	30	18	18
Atlas Foyer	242	60	-	200	-	-	-	-
Prefunction Area	364	-	-	300	-	-	-	-
Seminar Foyer	80	-	-	40	-	-	-	-
<b>Total</b>	<b>1,780</b>	<b>700</b>	<b>396</b>	<b>870</b>	<b>330</b>	<b>303</b>	<b>182</b>	<b>183</b>



## OTHER AMENITIES

The Hotel offers an on-site business and conference support centre on the mezzanine level, set up with photocopying, faxing and printing equipment.

The Bali Spa offers a great range of massage treatments inspired by the beauty of Bali's natural surroundings.

The Business Class Lounge is located on the 9th floor and offers complimentary breakfast and personalised services to the guests staying in the Business Club guestrooms and suites, as well as Club Carlson members.

99 (of a total of 177) car parking spaces are available for guests of the Radisson Blu on a valet-only basis and are located on the basement mezzanine level.



Business Class Lounge



Outdoor Pool









Park Inn Entrance

## OVERVIEW OF PARK INN BY RADISSON

Newly opened in September 2015, the Park Inn features 210 trendy guestrooms and 66 currently unbranded and un-refurbished apartments. The Hotel features meeting and events space for up to 80 delegates and the highly popular Sharkia restaurant,

rated amongst the top ten in Bucharest according to TripAdvisor. Guests are free to enjoy the facilities of the wider Complex, including the restaurants, indoor and outdoor pools, bars, spa and retail.

Name	Park Inn by Radisson Hotel Bucharest
Rating	4-star
Opening Year	2015
Guestrooms	210 guestrooms and 66 un-refurbished apartments
Food & Beverage	Sharkia Restaurant & Bar
Meetings & Events	4 meeting rooms



## GUESTROOMS AND APARTMENTS

These recently established guestrooms and apartments have been designed with a modern and vibrant edge specifically catering to a positioning gap in the local market and to attract guests demanding a quality product at a competitive price point. All of the guestrooms are equipped with complimentary wireless high-speed internet, in-room safes, SMART LED satellite TVs compatible with portable devices, and ironing sets.

The standard guestrooms are generously sized at 25 sq. m., with a number of them offering balcony space overlooking the city. The Hotel also features studios, one-bedroom and two-bedroom apartments between

50 sq. m. and 90 sq. m. Suitable for longer stays, the apartments include fully equipped kitchenettes and an ergonomic blend of working, living and dining areas.

The 66 un-refurbished apartments are situated across three buildings, two of which are adjacent located on the south side of the Complex, and while they currently present as dated these units have strong potential for rebranding and direct integration into the Complex through a full refurbishment programme. The apartments are managed by Carlson Rezidor as part of the management agreement, however, serviced less frequently given the long stay nature of its guests.

Room Type	Number of Keys	Size (sq. m.)
Standard	61	26
Studio	22	38
1 Room Apartment	98	44
2 Room Apartment	29	80
<b>Total</b>	<b>210</b>	<b>43</b>

### Breakdown of un-refurbished units

Unit Type	Count	Size (sq. m.)
A1	8	52
A2	51	65
A3	7	131
<b>Total / Average</b>	<b>66</b>	<b>70</b>



Standard Room



Studio Apartment





Sharkia Glasshouse



Bar at the Sharkia Restaurant

## FOOD & BEVERAGE FACILITIES

Positioned amongst the city's most sought-after dining destinations, the Sharkia Restaurant is an Eastern Mediterranean fusion restaurant that offers a unique culinary experience with a Mediterranean touch.

Only in its first year, Sharkia has rapidly grown in popularity and acclaim, according to TripAdvisor it is considered to be one of the top ten restaurants in Bucharest.

The restaurant serves 112 covers at a time and up to 412 during the summer.

## MEETING FACILITIES

An ideal venue for smaller conferences, seminars and training courses the Hotel's four meetings rooms can

accommodate 30 to 80 delegates in theatre style and all benefit from natural daylight.

Meeting Space	Size (sq. m.)	Theatre
Neptun	32	18
Venus	34	18
Saturn	46	24
Jupiter	72	42
<b>Total</b>	<b>184</b>	<b>102</b>



## RETAIL OVERVIEW

The Radisson Hospitality Complex benefits from a modern, high quality retail gallery with ground floor frontage on Calea Victoriei and Strada George Enescu. The 7,200 sq. m. commercial area is nearly fully let and includes a world class fitness centre, casino and smaller retail tenants, the majority of which specialise in fashion and fine jewellery.

The gallery is in popular demand from retail occupiers as it is located on the prime high street, Calea Victoriei, in the immediate vicinity of other flagship locations for Gucci, Max Mara, Cos, Furla, Lancel, Frey Wille, Emporio Armani, Mont Blanc.

World Class Health Academy is the most successful fitness and health club provider in Romania, with their Bucharest location as its centre-piece covering approx. 2,600 sq. m. and offering 3,000 of its enrolled members and Hotel guests state-of-the-art gym facilities, an indoor Olympic size pool, hot tub, spa and various massage treatments.

Occupying 650 sq. m. the multi-level Burberry unit is the flagship store for the British luxury brand in Romania, enhancing the profile of the Property.

Ownership maintains a strong, long-standing relationships with the majority of the Complex tenants which has helped to secure stable long-term income and should contribute to future rental growth on the back of significant gains in disposable income in only a few years' time.

The casino is considered the leading gaming venue in Bucharest in terms of size with approx. 2,200 sq. m., including the main casino guestrooms, a private casino, Texas casino as well as exclusive VIP restaurant areas.



World Class Health Academy



Burberry Flagship





Caffé Città - Prime Retail Opportunity

## VALUE ADD OPPORTUNITIES

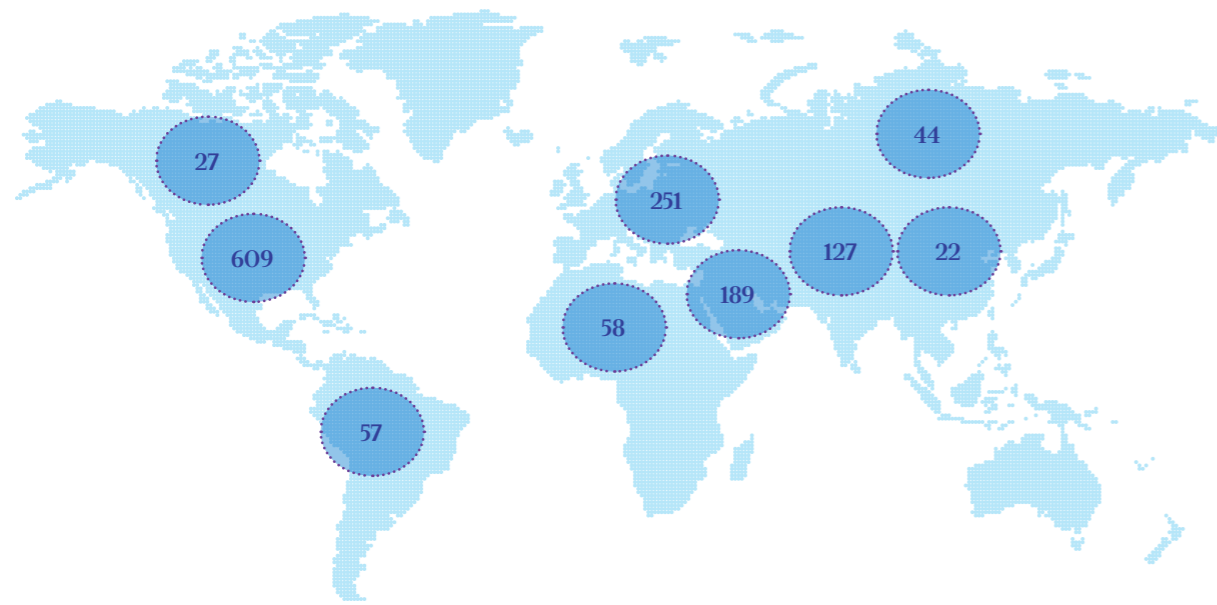
- There is significant potential, through capital investment, to convert 66 existing un-refurbished and unbranded serviced apartments which are currently contributing ca. 1% to the Complex. These serviced apartments are presently being sold at a significant discount to ADR achieved by the wider Property and are being let exclusively to long-stay guests.
- An overhaul of these apartments into hotel rooms - or residential units - would increase the capacity of the Hotel and improve the overall performance of the Complex.
- The Light Bla Terrace, an outlet which is mostly utilised for private events and is not a revenue generating venue in its own right is planned to be converted into a destination sushi restaurant.
- There is an opportunity to re-engineer the Italian restaurant on the ground floor located by the entrance of the Hotel - Caffé Città, to be partially run as a retail outlet, building up on the uniqueness of the venue which offers direct access to prime Calea Victoriei. Ownership is currently very advanced in the planning processed which is expected to be finalised in 2017.
- The traditionally themed Dark Bla bar has historically been an intimate venue for whisky and cigar connoisseurs, however, a smoking ban that came into force in March 2016 has impacted an already downward trend in performance. As it is currently contributing minimally towards overall trading, there is an excellent opportunity to enhance the space under an alternate use such as a sports bar or retail unit.



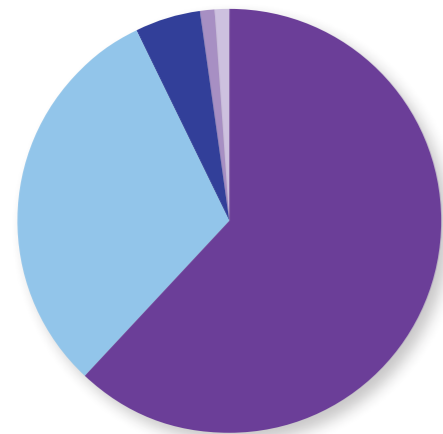
Dark Bla Bar - Repositioning Opportunity



## CARLSON REZIDOR IN EMEA

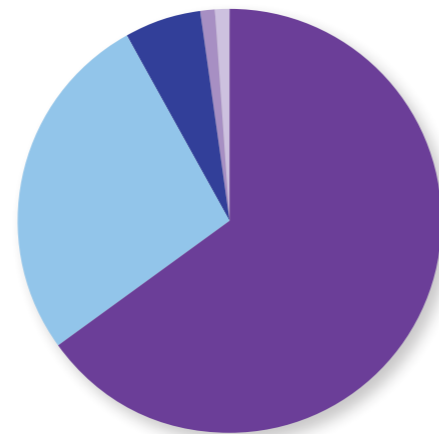


390 properties under operation and 107 under development



■ Radisson Blu ■ Park Inn by Radisson  
■ Park Plaza ■ Radisson Red  
■ Quorvus Collection

87,972 rooms in operation and 23,040 under development



■ Radisson Blu ■ Park Inn by Radisson  
■ Park Plaza ■ Radisson Red  
■ Quorvus Collection

## CARLSON REZIDOR BRAND

Carlson Rezidor Hotel Group is one of the world's largest and fastest growing hotel companies. With a powerful set of seven global brands, each catering towards a different target segment, the group has established a global footprint in some of the most desirable and exciting locations. With more than 1,100 hotels in operation and 47,000 hotel guestrooms currently under development, the Carlson Rezidor Hotel Group is a strong global partner for hotel owners, present in 87 countries and currently developing in additional 25 countries. Within Europe the chain operates 342 hotels and 107 under development.

### Radisson Blu

Radisson Blu is considered the Group's upper upscale hotel brand with 390 hotels globally, representing the Europe's largest upper upscale brand. The brand stands for an iconic, stylish and sophisticated way of lifestyle, where the attention is in the detail. Radisson Blu works with leading international designers to create innovative and creative interiors that stand out for their unique ambiance. The award-winning, design-focused hotels offer a touch of wow, and their restaurants and bars are destinations in their own right both providing a lively and vibrant scene.

The majority of the properties are located in major cities within high-end markets in prime city locations,

airport getaways and leisure destinations. The brand targets especially big corporate chains such as Statoil, Accenture or Siemens as well as benefiting largely of the MICE segment with accounts such as AMEX, CWT or IFB.

The brand also holds well negotiated long term contracts with airline crews of the likes of Lufthansa or Emirates.

### Park Inn

Park Inn by Radisson is considered the Group's midscale hotel brand with 62 European hotels. The brand focuses on what really matters to the modern and always connected consumer, mastering the essentials, while maintaining a simple yet contemporary style with unexpected colourful touches. The brand delivers an uncomplicated, vibrant and fresh atmosphere.

Park Inn by Radisson has over 200 hotels in operation or under development across the globe. Europe is a key market for Park Inn hotels with properties in major cities like Berlin and Moscow and expansion plans in North America and key emerging economies like Brazil, Russia and India. Most properties are strategically located close to key demand rivers, targeting young corporate and leisure travellers.



## BUCHAREST

Due to Romania's scenic appeal, its rich history and its picturesque coasts along the Black Sea, the country has become an increasingly popular international tourism destination. As the country's capital, Bucharest acts as the political, economic and cultural centre and has become a key destination within the CEE countries.

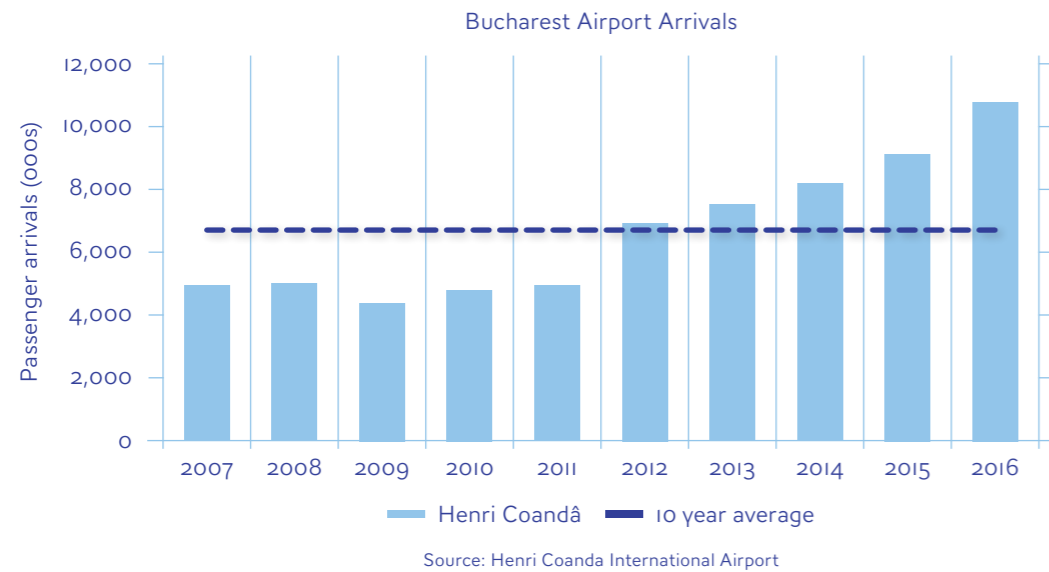
Bucharest offers a variety of leisure attractions and a mixture of medieval, neoclassical, art nouveau and neo-Romanian architecture throughout the city. Between the two World Wars, the city was completely remodeled inspired by the grand avenues of Paris and why the city is often referred to as "little Paris".

Bucharest is home to country's national government as well as a number of non-governmental institutions

of the European Union, including the European Agricultural Fund for Rural Development and the State Office of Innovation and Development.

Bucharest's stand out tourist attractions include the world's second largest building, the Parliament (Palace of the People), comprising the Romanian Senate, the Chamber of Deputies, the International Conference Centre Bucharest, and the National Museum of Contemporary Art; and elsewhere the Romanian Athenaeum and Triumphal Arch.

The historical city centre offers a wide array of landmark buildings, museums, art galleries as well as entertainment and shopping facilities. In addition, Bucharest regularly hosts cultural events such as the International Opera and the George Enescu festival.



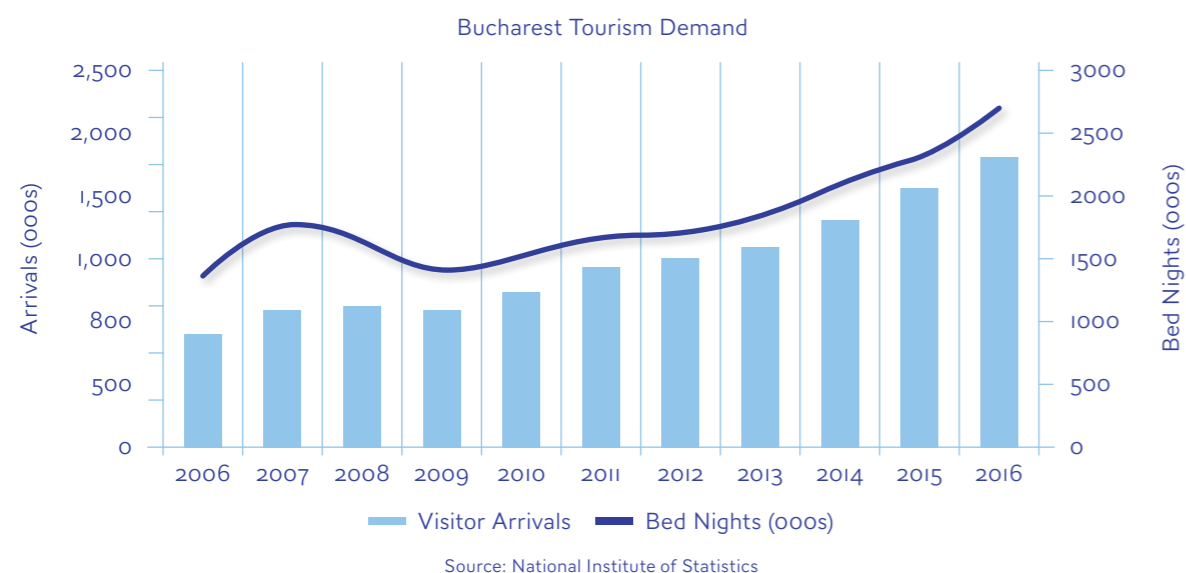
The Palace of the People



University Library



## TOURISM



Between 2005 and 2015, the Bucharest hotel market experienced significant increases in tourism demand with average annual growth rates of 8% and 6% in arrivals and overnights, respectively.

In 2016, the number of arrivals and overnights peaked with 1.7 million arrivals and 2.7 million overnights, up by 12% and 15% year-on-year, respectively.

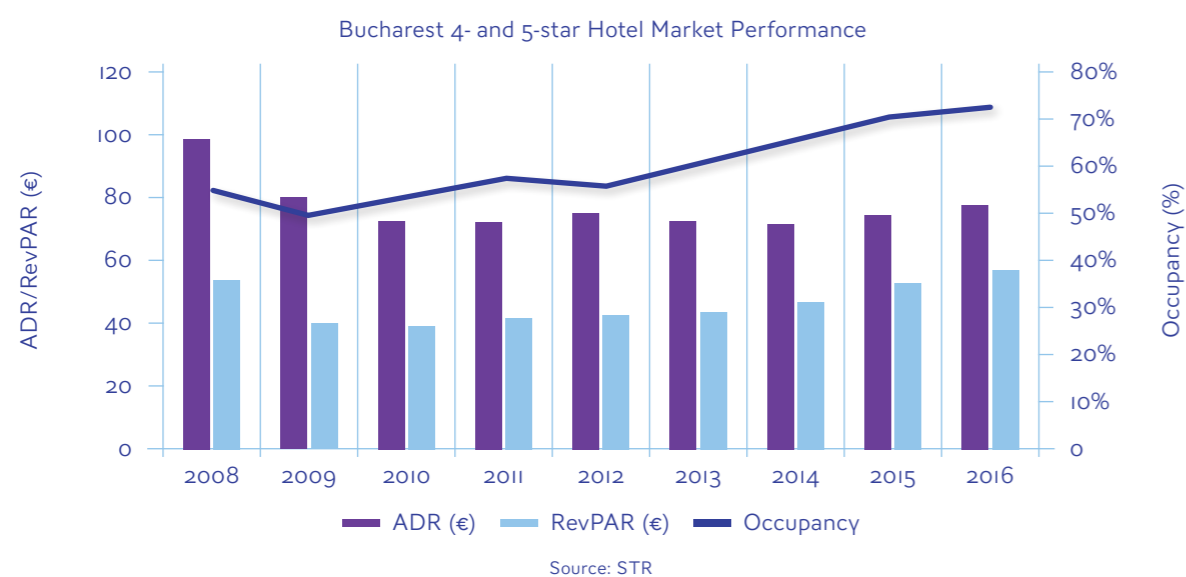
Due to the city's increasing reputation as a popular weekend-break destination in Europe and its economic influence in the CEE region, hotel demand is dominated by international travellers, representing approx. 58% of all overnights in 2015.

Airport arrivals to Henri Coanda International Airport saw an 18.4% surge in passenger arrivals in 2016, reporting a total of nearly 11 million passenger arrivals. Henri Coanda International Airport is currently home to over 40 airlines serving over 80 international destinations, hence representing a key transportation hub in the CEE region. As such, the airport strongly

benefited from its increasing role as a major European hub for low-cost carriers in recent years, with nine budget airlines currently operating out of Bucharest. In June 2016, Flydubai announced the addition of two new flights a week between Dubai and Bucharest due to an increased demand of visitors from GCC visiting the capital since the launch of the Bucharest route in 2012.

Hotels in the 4- and 5-star category have experienced stable growth in performance since 2010 with each year outperforming the previous. In 2016, RevPAR reached €57, up by an impressive 9%, steered by a 6% growth in ADR (to €78) and 3% growth in occupancy (to 73%).

Owing to its central location in the heart of Romania, Bucharest also represents an ideal starting point for trips to the country's most visited attractions with the Carpathians, the coast of the Black Sea as well as Bran Castle or "Dracula's Castle" located just a 2-hour drive away from the city.



## GROWTH

Romania recorded the highest economic growth in Europe in 2016 with a 5% increase – a positive trend which is set to continue with the IMF predicting 3.7% growth in GDP in 2017, and 3.3% for 2018. Following the elections at the end of 2016, a dedicated Tourism Ministry was appointed after a few years of this position being vacant - this is expected to enhance the tourism development and infrastructure in the country. One of the planned infrastructure improvements

includes the extension of the metro line between Bucharest's main train station Gara de Nord and Henri Coanda International Airport which is scheduled to commence in 2017. With very limited rooms stock in the pipeline and the expected growth of MICE demand on the back of the increase in additional flight routes, the positive development of the local hotel market is expected to further continue.





Dining Room - Presidential Suite

## CONTACT INFORMATION

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