

Paris Inn Group and Eternam announce the creation of a Club-Deal comprised of private and institutional investors and family offices

Paris, 8 April 2015 – Paris Inn Group, hotel manager and investor and Eternam, the Cyrus group subsidiary which advises their major property investors, announce the creation of a Club-Deal comprised of private and institutional investors and family offices.

As a part of this operation, [Paris Inn Group](#) and [Eternam](#) raised €30M for the acquisition of freehold hotel assets from this category of investors. Concomitantly with the first fund raising, the company that was created acquired a 1st establishment, the hotel [Best Western France Europe](#), with a capacity of 43 rooms and which only recently obtained its 4-star status as was announced and expected as a result of the Due Diligence work.

Considering the long-standing relations and mutual trust between them and the owners of this hotel, Mr and Mrs Albar (a family which has been involved in the Paris hotel industry for almost a century), Paris Inn Group, the leader in Paris hotel management, will continue to manage this hotel and thereby offer their faithful investors a potential for an attractive enhancement in value, a guarantee of the security of their investment.

The group of investors notably includes an institutional investor, Extendam (Bertrand Pulles, Jean-Marc Palhon and Matthieu Dracs) and Paris Inn Group at up to 10%.

Extendam, an independent management company, leader in private equity in the hotel business in France and dedicated to investment in tangible assets, has made hotel investment a high priority in their development (already 70 hotels in the fund portfolios) by choosing to support professional entrepreneurs in the sector in their development projects. The partnership formed with Paris Inn Group, leader in Paris hotel management, is therefore perfectly congruent with the philosophy communicated by Extendam in the framework of their hotel investments.

Jean-Bernard Falco, founding President of Paris Inn Group and of the company created as part of the new club-deal is delighted with this new acquisition: *"It is an honour for me to have brought together more than 25 investors, private individuals, family offices and institutional investors to join forces with us, thanks to Eternam's intervention, to acquire several Paris freehold hotel establishments, the 1st of which is the hotel Best Western France Europe, which obtained their 4-star status as planned. This hotel is truly a 43-room gem with a very attractive potential to enhance its value. To finalise this operation at a time when Paris freehold hotel assets that are available for acquisition are becoming fewer and fewer and are more and more valued and expensive, which increases the competition that is already heightened between potential buyers, we had the benefit of a favourable atmosphere of trust with the sellers who have been managing this asset themselves for 10 years; so, once again, a hearty thank-you to Mr and Mrs Albar."*

Sacha Rubinski, Managing Director of Eternam, also added: *"This club-deal operation fits perfectly in our strategy, through which high-quality property and hotel assets, usually reserved to institutional investors, can be made accessible to private and wealthy investors. In relation to this project, for the majority of our clients, essentially entrepreneurs, we tried to find a solution that enables them to re-invest capital from transfers on which tax has been deferred, but in a much more reassuring context than standard private equity. In fact, combining a building with a hotel business in a market like the Paris market, provides significant perspectives for securing and developing capital, considering the exponential demand of the number of tourists who stay in the French capital."*

Bertrand Pullès, Assistant Manager at Extendam, explains that "*Paris Inn Group has developed a project that meets Extendam's requirements perfectly in terms of their choice of investments, by relying on its experience and good quality management that ensures the longevity of our collaboration.*"

Paris Inn Group and Eternam therefore offer a unique opportunity to the new investors brought together in this Club-Deal to have access to the significantly closed milieu of the hotel industry.

In this operation run by Paris Inn Group, founded and managed by Céline and Jean-Bernard Falco and Grégory Pourrin, Managing Director and Eternam (Sacha Rubinski, Jonathan Donio), the investors were advised by Paul Hastings for legal issues (David Lacaze and Isabelle Augais-Mariani), Francis Lefebvre for fiscal structuring (Luc Jaillais, Florian Burnat and Sophie Delplancke), RBA for accounting audit (Soly Benzaquen), Deloitte for hotel valuations (Philippe Gauguier and Julien Guittet) and Moreau Expertise for the technical audit (Colin Chaillou).

The financial partners who supported all the stakeholders are the ones who have always supported the Albar family and Paris Inn Group; proof of the trust with which they were again invested: Bpifrance (Pedro Novo, Pascale Courcelle, Hortense de Blighnières and Julien Alberge), Natixis Lease (Corinne Le Roux), Banque Populaire Rives de Paris (Jean-François Gombert and Hervé Gobron) and BRED (Julia Quiros and Christophe Gomes). The Richard firm (Charly Richard, Véronique Pagès and Josiane Perocheau) acted as legal counsel to the Albar family alongside Étude Flusin & Associés, Solicitors (Mrs Cécile Miralles), Carmyn, the companies' long-established institute of stockbrokers (Didier Hassan and Enguerrand Boissonnet) and the chartered accountancy firm, Octopus-Expertise (Stéphane Belin).

About Paris Inn Group :

Paris Inn Group is an investor and asset manager specializing in the Paris hotel sector. The company is run by Céline and Jean-Bernard Falco and has its origins in a family business spanning four generations. Set up in its current form in 2005, Paris Inn now manages 29 hotels of which four 5-star hotels and twenty-five 4-star hotels, with a total of 1.887 rooms and 700 employees. As at December 31st 2014, the company's annual consolidated turnover reached €81.4 million.

More information, visit www.paris-inn-group.com

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