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## YOTEL AND THE JOHN BUCK COMPANY FORM PARTNERSHIP TARGETING \$250 MILLION NORTH AMERICAN EQUITY FUND

***“Most radical hotel in the world” and leading international developer announce partnership for a North American real estate equity fund”***

**New York June 4, 2012** - YOTEL, considered the most radical hotel in the world, together with The John Buck Company, one of the most trusted and well respected names in real estate development and investment, follows the opening of YOTEL's first city center hotel in New York with the announcement of a dedicated real estate fund platform focused on the expansion of the brand in North America.

YOTEL, along with long term capital partners IFA Hotels & Resorts, Kuwait Real Estate Company and The John Buck Company have partnered to raise a \$250 million discretionary private equity fund with the goal of acquiring and developing more than \$650 million worth of YOTEL hotels in North America over the next three to five years. As co-General Partners of the Fund, YOTEL and The John Buck Company will jointly identify, acquire, develop and redevelop YOTEL properties in select major U.S. metropolitan cities including projects currently being reviewed in Boston and Chicago. The Fund will leverage YOTEL's innovative hotel concept, brand and management expertise combined with The John Buck Company's strong development reputation and prior private equity real estate fund management experience.

“Introducing the American market to the YOTEL brand was a key focus in 2011 with the opening of our 669 cabin YOTEL in New York which provides affordable luxury and is a solution to expensive and boring hotels,” said Gerard Greene, CEO of YOTEL. “In 2012 we have expanded this goal and are truly honored to have the opportunity to partner with one of the most well respected developers, investors and real estate owners in the world. The formation of a dedicated real estate fund with

The John Buck Company is a pivotal step in making YOTEL a household name throughout North America.”

YOTEL is an extremely innovative and exciting Brand and we are truly excited to be a part of their growth strategy,” said Jack Buck, Principal of The John Buck Company. “Along with our new partners in YOTEL and IFA Hotels & Resorts and Kuwait Real Estate Company, we look forward to utilizing our investment expertise and development experience as we help expand the Brand in North America. Given YOTEL’s truly unique concept, strong operating margins, management team and ability to mass approximately 30% more keys on a development site vs. other hotels, it should make for a great partnership.”

The Fund is currently in discussions with potential limited partners and will utilize a multi-pronged strategy for investments:

- Acquire existing development sites and/or condominium interests in mixed-use development projects
- Acquire non-hotel buildings that can be converted to Yotel hotel properties
- Acquire select existing hotels that can be converted to Yotel hotel properties

The partnership anticipates an official closing of the Fund in early 2013 and is immediately seeking investment opportunities throughout North America.

#### **About YOTEL**

YOTEL was created by YO! founder Simon Woodroffe and YOTEL CEO Gerard Greene. Inspired by first class travel, they have translated the language of luxury airline travel and Japanese influence into a small but luxurious cabin. YOTEL’s first city centre location 2 blocks from Times Square at 10th Avenue and West 42nd Street features 669 stylish cabins. ‘Premium’ cabins come with convertible beds for saving space, monsoon showers, technowall with TV and MP3/iPOD connectivity, workstation and free super strength WiFi. For the ‘extra’ factor there are 19 ‘First’ cabins, some with private outdoor terraces and hot tubs and three 1,100 sqft VIP 2 cabin suites with 360 degree views, rotating king size beds and dining tables that convert to a billiard table! YOTEL New York is home to YOBOT, the world’s first robotic luggage concierge, and ‘FOUR’ with 20,000 sqft of flexible entertainment space to include ‘Dohyo’ restaurant, Club Lounge surrounded by private bookable cabins, New York’s largest outdoor hotel terrace and Studiyo for meeting, cinema screening and parties. YOTEL currently operates three terminal airport properties at London Heathrow, London Gatwick and Amsterdam Schiphol.

[www.yotel.com](http://www.yotel.com)

Twitter: @YOTELHQ

Facebook: facebook.com/YOTELHQ

Tumblr: <http://yotelnyc.tumblr.com/>

### **About IFA Hotels & Resorts**

IFA Hotels & Resorts is YOTEL's largest investor and a leader in the development of mixed-use hotel and residential resort projects with over 40 projects across the Middle East, Europe, Africa, the Indian Ocean, Asia and North America. Listed on the Kuwait Stock Exchange and also on the Johannesburg Stock Exchange, IFA Hotels & Resorts' main shareholder is Kuwait based International Financial Advisors (IFA).

With a proven track record of delivering integrated resorts through international hotel brands, IFA HR is one of the few global real estate developers that have demonstrated the ability to sell, develop and asset manage the full range of real estate vacation products to an international audience.

Through its asset management arm – IFA Hotel Investments – the IFA HR team were responsible for the financing of YOTEL New York, raising a loan of US\$240m and equity of US\$75m. IFA Hotel Investments was established in 2010 with a mandate to encompass and lead, on a worldwide scale, IFA HR's operational asset portfolio including its hotels, hotel condominiums, commercial, retail and food and beverage ventures. IFA Hotel Investments also oversees the IFA Collection, which manages the company's private residence clubs, vacation clubs and lifestyle ownership products.

A primary focus for the company is the expansion of YOTEL in which IFA HR has a majority stake and which IFA HI oversees. [www.ifahotelsresorts.com](http://www.ifahotelsresorts.com)

### **About Kuwait Real Estate Company (K.S.C)**

Established in 1972 as a Kuwaiti shareholding company (K.S.C), Kuwait Real Estate Company is one of the country's leading companies in its field. It was the first ever real estate company incorporated into the Kuwait Stock Exchange. Among its many achievements, the company developed the first mixed-use retail, office, and car park development in Kuwait and pioneered the Build-Operate-Transfer concept prior to any formal regulation being in place.

For years, KREC's prestigious name and reputation as a pioneer in the real estate sector in Kuwait have been associated with high occupancy of its residential and investment units as well as its diversified strategy in the real estate and investment sector.

Today, the company's business is based on real estate activities in various fields locally, regionally and internationally. Having projects spanning from Kuwait to the United States, Kuwait Real Estate Company continues to successfully implement its strategic vision to the benefit of its clients, investors and the general public with the highest investment, managerial & technical standards.

KREC's broad and extensive experience, earned over several decades, in both Europe and the United States, in a variety of property sectors will serve to enhance the partnership. Whether it be real estate development, property management, or real estate finance, KREC will complement its partners and strengthen the venture. <http://www.krec-kw.com/mainEn.aspx>

### **About The John Buck Company**

The John Buck Company was established by John Buck in 1981 and has since expanded into a vertically integrated real estate services firm that focuses on high-density, urban commercial real estate. The firm has completed over \$11 billion of real estate transactions and acquired, developed, or redeveloped over 40 million square feet of commercial property including office, residential, retail, mixed-use, and hotels. Over JBC's history, the company has established a proven track record in evaluating real estate opportunities from a variety of perspectives including: investor, developer, and asset manager. The successful execution of these projects relied on a customized strategy formulated by JBC personnel in the fields of development, leasing, and property management. JBC underwrites and staffs each of its projects with professionals specifically trained and experienced in valuation, finance, project feasibility analysis, leasing, property management, design, and construction. As a result, JBC utilizes the wealth of knowledge within the firm to maximize value at every step of the real estate transaction. [www.tjbc.com](http://www.tjbc.com)