

12.18. INVESTMENT MANAGEMENT ACQUIRES ROXBURGHE HOTEL & GOLF COURSE

- **€35 million investment in extensive redevelopment of this historic hotel and golf course in Kelso, Scotland planned by Dusseldorf-based project developer**
- **To operate as SCHLOSS Roxburghe when it reopens in 2019**
- **Over 60 new jobs to be created**

28 March 2018 – Düsseldorf-based project developer and hotel operator 12.18. Investment Management GmbH, is delighted to announce their new ownership of the Roxburghe Hotel & Golf Course alongside plans for its development. Located in Heiton on the outskirts of Kelso in the Scottish Borders, 12.18. will aim to take this historic property into a new era whilst maintaining its traditional charm when it reopens next year following a €35 million investment.

Managing Partners Jörg Lindner and Kai Richter signed the purchase agreement with former owner the Duke of Roxburghe in Edinburgh on the 26 March. Kai Richter said: 'We are excited about our new investment in Scotland and are confident that the acquisition of the Roxburghe Hotel & Golf Course will not only enrich our portfolio but will also be profitable for the entire region.'

One of Scotland's most charming country houses, the 19th century property currently comprises 22 rooms, restaurant and bar; 12.18. aims to enhance this with an extensive refurbishment, building a separate extension to feature 57 additional rooms as well as a luxurious spa and a state-of-the-art meeting space. In addition, 60 lodges will be built on the surrounding estate and be made available for sale to private investors through a sale-and-lease-back concept that will allow the new SCHLOSS Roxburghe to extend its room inventory further to holiday-makers.

For the Duke of Roxburghe it is very important that the Roxburghe's Scottish heritage will be respected by the new owners and will be upheld in the future concept of the hotel. The Duke commented: "The plans which the new owners have for major investment in the Roxburghe are very exciting indeed. We wish 12.18. every success with the new development and the operation in future and I have no doubt that it will become one of the most outstanding resort destinations in Scotland. I would like to pay particular thanks to all the staff who have worked with great dedication to deliver exceptional standards of service to our guests over the years."

Throughout the hotel, golf club house and lodges, 12.18. will be engaging Kitzig Interior Design with whom they have worked extensively throughout their existing hospitality portfolio. Edinburgh based company ISA architects has been engaged for the architectural design and master-planning of the new buildings. ISA is an award-winning architecture and interior design practice working across the UK for some of the country's leading businesses.

Whilst the original building will continue to impress with its stylish Scottish elegance, the extension housing the additional rooms, spa and meeting facilities will provide a contrast with a more modern construction that still remains in harmony with the beautiful surroundings. The

golf club house including the gastronomy and pro-shop shall also be revitalised and get a modern make-over after the summer season.

The hotel will be closed during the period of redevelopment (the Golf Course and Clubhouse will continue to operate as normal). Some hotel staff will be redeployed during this time or offered alternative employment at other 12.18 properties. All staff will have the opportunity to be re-engaged when the hotel re-opens. Detailed consultation with staff will be undertaken in advance of any closure.

Jörg Lindner explains: ‘We expect that after the complete redevelopment of the celebrated Roxburghe Hotel & Golf Course and the new available rooms on the ground, the number of staff being employed with us will be more than doubled (current 50 people including hotel and golf course). Regional business, restaurants and shops will economically benefit from the touristic development in the region.’

12.18. is experienced in regenerating historic properties, having launched castle hotel SCHLOSS Fleesensee in the heart of the Mecklenburg Lake District together with one of Northern Europe’s biggest golf resorts including five courses and a golf academy. Roxburghe Hotel & Golf Course will be the second property under 12.18.’s new brand ‘SCHLOSS Hotel’.

The company is interested in acquiring additional historic touristic properties within the UK to complement the portfolio and support the growth of the brand.

About 12.18.

An owner-managed company with more than 30 years of expertise and sound industry knowledge from its two managing partners, the focus of 12.18. Investment Management GmbH is clear: high-quality investments in unique touristic properties with great development potential in the best locations in Germany and Europe.

The company currently manages ten extraordinary properties with an investment volume of €245 million and more than 1,100 employees in Germany and Europe. 12.18. provides professional representation throughout the entire value chain; from the first site survey and profitability calculation through further planning, conception, financing and execution of a project to operation or sales.

Based in Düsseldorf, the 12.18. name is composed of the alphabetic position of the first letter of each managing partner’s surname, Jörg Lindner and Kai Richter. 12.18. Hotel Management GmbH was created in August 2016; based in Berlin, it is responsible for the strategic and operational management of its own hotel properties. An additional arm of the business, Vermögensmanagement GmbH is responsible for the distribution of the acquired real estate.

For more information, visit: 12-18.com/en

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