

Renta Corporación transform Covadonga Hotel, located in Barcelona

- The transaction involves an investment of 23.5 million euros, and is performed with a British investor
- The rehabilitation of the building will result in a design flagship hotel, and will feature a commercial premise in one of the fastest growing areas in town

Renta Corporación will carry out the transformation of the building located at Avenida Diagonal 596 during the last months, hitherto occupied the Covadonga Hotel. The renovation of the building will result in a new design flagship hotel, will reduce the number of rooms to 85 from 101, and will apply strong improvements as far as sustainability standards are concerned. With over 4,700 square meters, the building will also have a commercial space on the lower floors, with 731 square meters, in one of the most important commercial areas of the city and currently in strong expansion, just off the Francesc Macia square. The operation, which Renta Corporación holds with a British investor, represents an investment of 23.5 million euros.

This operation allows Renta Corporación also cover the hotel and commercial industry through agreements with investors, in the same way that it's been managed part of its business in the residential sector with Kennedy Wilson Europe Real Estate. Through these alliances, Renta Corporation participates in the business equity and manages projects during the process of generating value. The Kennedy Wilson alliance, signed in late 2014, has already allowed the closure of three operations in Madrid.

All these actions allow the company to consolidate its market position and strengthen its growth, which will be based on the period 2016-2020 on a new business plan approved last July. The new strategic plan projects an increase in the operating margin as a result of the increased number of transactions and the size of them. Furthermore, the new strategy will encourage asset management with third parties and especially real estate investment funds, in line with the 2015 closed operations.

About Renta Corporación

Renta Corporación is a listed real estate company with a differentiated business model based on creating value through the acquisition of real estate assets to transform and adapt them to the market needs, and then resale them to third parties. Renta Corporation focuses its business on the Madrid and Barcelona markets, the two most liquid and busiest locations in Spain.

More information:

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