



Investment Opportunity

Historic Palace Hotel in Venice

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Asset Description:

- The Target ("Palace") is a historic residence built in the 15th century, is located on Venice's renowned Grand Canal. Its interiors contain a luxurious artistic heritage and offer unique glimpses of the Rialto Bridge.
- A ten minute walk from St. Mark's Square, the prestigious building stands out through the architectural integrity of its late Gothic facade, erected in the second half of the 1400s. Palazzo Garzoni Moro stands on the Grand Canal, at a strategic point ten minutes away from Piazzale Roma and the train station.
- It is centrally located with respect to the city, and lies between St. Mark's square and the Rialto bridge. It is close to Campo Santo Stefano, one of the largest and liveliest squares of the city, and is very close to the most renowned attractions: Palazzo Grassi, "La Fenice" theater and the Gallerie dell'Accademia.
- In front of the Palazzo, the historic San Tomà ferry connects the two sides of the Grand Canal, while the urban "vaporetto" (riverbus) and the motor boat to Venice airport stop a few minutes away.



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Venice: The City

- Venice, the city built on water, is composed of a myriad of islands crossed by canals, which form its main transport network. An interplay of water and earth, which have coexisted for over 1,000 years and meet in the Lagoon.
- Strolling through the "calli" (roads) and canals, visitors are immersed in a fascinating labyrinth, where each street name evokes a fragment of history.
- Venice is a dream, which fills the view and alters your perception of time, imperceptibly slowing its passage and giving the sense of being in a mysterious and magical place that offers an indescribable experience painted in the watercolors that characterize the city.
- As it has done throughout the centuries, the life of the city is focused primarily on the Grand Canal, the main water channel which crosses the entire city. This is where Palazzo Garzoni Moro stands.

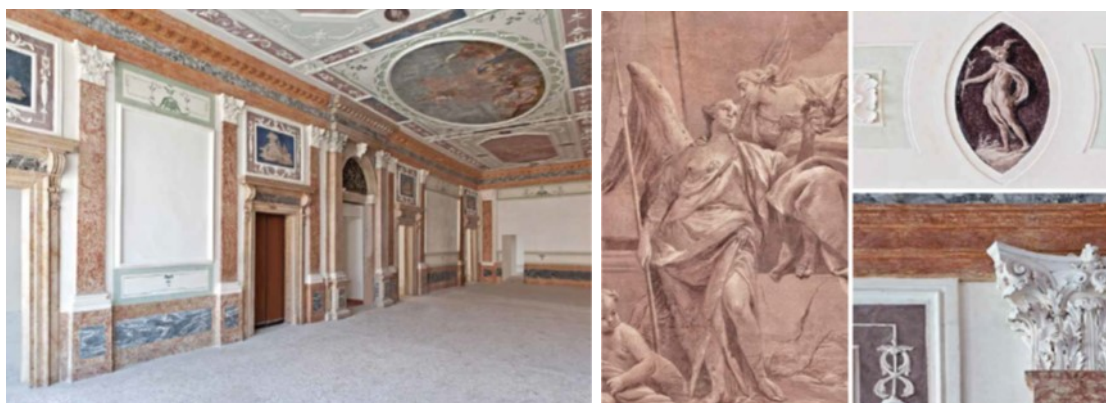
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The Architecture

- Palazzo Garzoni Moro has over 200 windows, which contribute to giving the facades on Rio Garzoni and Calle del Traghetto an appearance that evokes Venetian lacework. Light penetrates through numerous openings which offer unique and unforgettable views of Venice. Compared to other buildings on the Grand Canal, the historic residence has the advantage of four access points on the water and a frontal mooring on the Canal itself. The projection of the western facade offers a magical view of Rialto.
- The careful restoration work carried out by the Motterle Group allowed the conservation of the Palazzo's original structure, enriching the value of the large staircases and main floors that are characteristic of Venice's historic buildings. The internal courtyard, a secret garden adjacent to Palazzo Moro and the airy attic, which offers extraordinary views of the city, have also been returned to their former glory.



Investment Scenario:

- As of now, the Motterle Group is continuing with the construction of 15 apartments, out of which, they expect to have the first 8 apartments ready, by the end of 2014. These apartments are at the rear side of Palazzo Moro.
- The different sale scenarios may include:
 - The sale of the entire Moro Palazzo Garzoni (3450 square meters) at present (if the buyer has a different aim to convert it to a ES Hotel, Embassy, Museum), for € 41 Mn. Cost of completion of the works, which are projected to be about € 5 million, must be added.
 - The sale of only the front of the Palazzo Garzoni (2050 square meters), at present for € 31 Mn.
 - From 2015 onwards, the sale of individual apartments at the rear of Palazzo Moro (Sizes from 100 to 250 square meters each)

Opportunity Highlights:

- The ideal opportunity for a real estate investor to acquire a fantastically located hotel of with all renovations completed and some art work restoration in process and to be completed within a short time.
- A limited competition due to the unique and historical nature of the property gives the investor the opportunity to grow occupancy rates, RevPAR and increase overall sales.
- Great opportunity for investor to break into the market before the economy faces another upward swing in real estate.
- Venice is the most popular holiday destination in Italy and among the top 10 tourist cities in Europe and its residents and tourists consist of many high net worth individuals who would highly consider time shares and other leasing/buying options.
- An opportunity for an investor for taking a strategic exposure to a resilient business which shall generate strong income and cross-selling from other core hospitality services such as F&B and retail.

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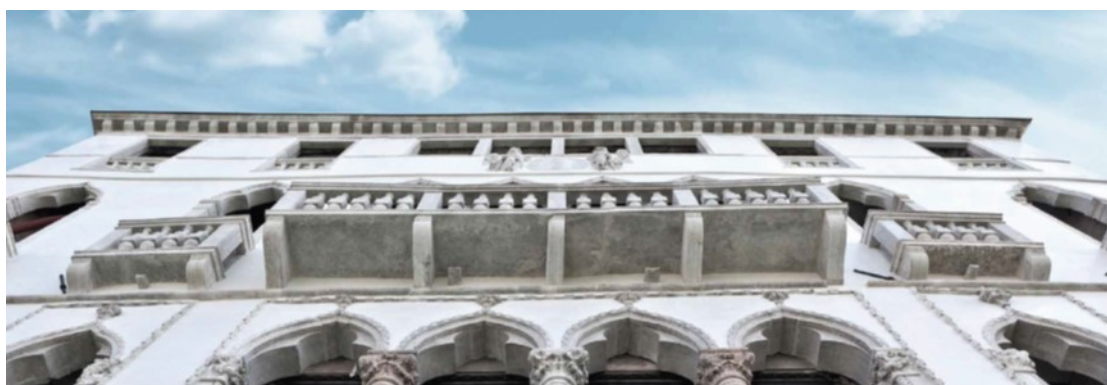
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The History

- Palazzo Garzoni Moro was built in the middle of the 15th century. In the 1600s, the Garzoni family, one of the most influential in the city, acquired the entire building. Pietro, renowned historian of the Republic of Venice, gathered his entire library in a great hall within the prestigious residence.
- Garzoni Moro was owned by the family until the end of the 1700s, and was acquired by Ca Foscari University in 1979 to become the Foreign Language and Literature Faculty.
- The privileged position of this historical building and the spaciousness of the interiors make Palazzo Garzoni Moro truly unique. Thanks to the building's three open sides, its scenic context offers spectacular glimpses of Venice, and has been a source of inspiration for modern painters and vedutisti.
- In the 1500s, the palazzo appeared in a famous work by Jacopo de Barbari, a renowned painter and etcher in Northern Europe. Canaletto, the most important artist in the Venetian Vedutismo movement of the 1700s, was also fascinated by the view from the Palazzo to the grand Canal, and captured this unique setting in a painting that is now part of the collection of the Gemäldegalerie in Dresden.



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- The Motterle Group is currently carrying out a careful restoration project, which has revalued the exterior stonework, bringing the facade back to the brightness that is characteristic of the Venetian tradition. The faithful restoration also involved the recovery of the 18th century decorations of the main floors and the original wooden beams, exposing the authentic finishing that were hidden by later renovations.
- The central hall of the main floor, with its magnificent architecture of low-relief pilasters and marble frames, features a series of interesting frescoes that are mainly focused on mythological themes. The interior decorations are framed by rich stuccoes with a refined pastel color palette.

Next Steps

- Arkios has been mandated by the shareholders of the property for the sale of the asset
- Any interested investor shall provide a non binding LOI to manifest its intention
- Shortlisted investors will be invited to access the data room, visit the asset and discuss directly with the shareholders the sales terms

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