



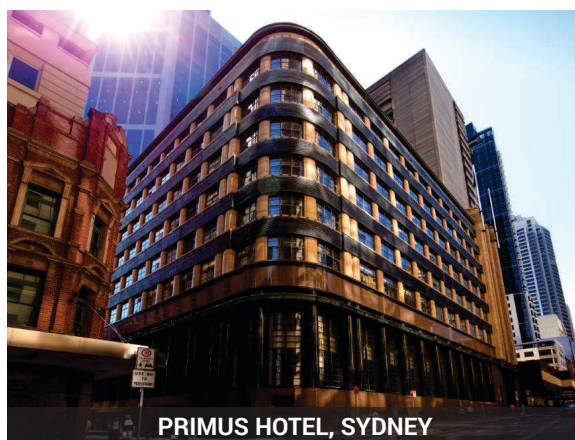
THE VENETIAN, LAS VEGAS



MIYAKO HOTEL KYOTO



GRAND HOTEL DE LA MINERVE, ROME



PRIMUS HOTEL, SYDNEY



EXTENDED STAY AMERICA



VILLA KENNEDY HOTEL, FRANKFURT



HYATT REGENCY, AUSTIN



THE WATSON HOTEL, NEW YORK



# TOP HOTEL DEALS

ISSUE 3- FEB & MAR 2021

**Saurabh Gupta, MRICS**

Managing Partner

Transactions Advisory - Hotelivate

The months of February and March 2021 witnessed high transaction dollar volume due to two mega transactions totalling \$12.5B in the United States. These are being seen as bright spots in an otherwise bleeding hospitality industry. Distress deals seem to be happening quietly wherever loan defaults and foreclosures have made the pain rather unbearable. Additionally, a portfolio deal in Japan and multiple smaller hotel transactions across continental Europe signal the continued attractiveness of travel industry in the eyes of global investment community.



## February and March 2021

Asset/ Portfolio	Seller	Buyer	Deal Size (in USD Mil)	Keys	Price/Key (in USD Mil)
Extended Stay America	ESA Corp. + ESH REIT	Blackstone + Starwood Capital	6,000	69,400	0.09
The Venetian Resort + Sands Convention Centre, Las Vegas, US	Sands Corp	Vici Properties	6,250	7,000	0.89
Manhattan Hotels Portfolio, NY, US	Cindat + Hersha Hotels	Mack RE Group	316.0	1,087	0.29
5 Omni Hotels, US	TRT Holdings	Undisclosed	150	1,729	0.09
8 Hotels Portfolio, Japan	Kintetsu Group Holdings	Blackstone	390	2,294	0.17
Crowne Plaza, Orlando, US	Universal Towers Construction	Monarch Alternative Capital	35.7	400	0.09
Kimpton Sir Francis Drake Hotel, US	Pebblebrook REIT	Undisclosed	157.6	416	0.38
Capitol Hill Hotel, Washington, US	Hersha Hospitality Trust	Undisclosed	51	153	0.33
Watson Hotel, NY, US	BD Hotels	Yellowstone RE Investments	175	600	0.29
The Lafayette Hotel, San Diego, US	Lafayette Landlord	CH Projects	25.8	131	0.20
Residence Inn, Miami, US	Hersha Hospitality Trust	AB Asset Management	31	140	0.22
Magnolia Hotel, Dallas, US	Soul Street Hospitality	NewcrestImage	Undisclosed	325	NA
Villa Kennedy Hotel, Frankfurt, Germany	GEG	Conran Land AG	113	163	0.69
Le Domaine de Mousquety, Provence, France	Belambra	Atream	18.5	140	0.13
Grand Hotel de La Minerve, Rome, Italy	Billi Family	Arsenale Spa	Undisclosed	132	NA
Hyatt Regency Austin, US	Tantallon Austin Hotel	Host Hotels	161	448	0.36
Future Living Hotel, Leipzig, Germany	Fay Projects GmbH	VW Landesarztekammer Hessen	Undisclosed	224	NA
Stanton House Hotel, UK	Honda Motor Co.	John Mulchandani	6.9	78	0.09
Primus Hotel Sydney, Australia	Greenland	Pro-Invest Group	132	172	0.77

### Key Highlights:

- Sale of Extended Stay America** – Extended Stay America is a midscale hotel chain focusing on lodging for long-stay guests (7 days or more). ESA has an asset-heavy constitution and owns and operates 557 hotel properties in 40 states, comprising 61,900 rooms with an additional 7,500 under franchise or management contracts. The business outperformed the market last year with an average occupancy of 74% and is being viewed as a relatively resilient sub-section of hospitality industry. The USD6 billion deal values the company at 11.2 times its adjusted EBITDA for 2019.
- Sale of The Venetian Resort & Sands Convention Centre, Las Vegas** – Las Vegas Sands Corp. is set to offload all real estate assets associated with The Venetian Resort Las Vegas and The Sands Expo and Convention Center in Las Vegas for USD4 billion to Vici Properties. This deal represents a 6.25% cap rate on 2019 EBITDA. Additionally, Apollo Global Management will acquire the operations of The Venetian for USD2.25 billion. The Venetian, located on the Las Vegas Strip, has three luxury hotel towers with gaming, entertainment, shopping and dining. The resort includes more than 7,000 all-suite rooms, 225,000 square feet of gaming space and 2.3 million square feet of meeting space.
- Manhattan Hotels Portfolio, New York** – Developer Mack Real Estate Group took control of a seven-property Manhattan hotel portfolio after it foreclosed on the owners. At USD 315.8 million, the deal represents a massive 60% discount on the 2016 valuation of USD816.3 million. The seven hotels are located in Times Square, Chelsea, Herald Square and the Financial District operating under the Holiday Inn, Hampton Inn and Candlewood Suites brands.
- Sale of Omni Hotels, US** – London & Regional properties is to acquire the hotels, which include five Omni-branded properties in Austin and Dallas totalling 1,729 keys. The new owner will transition the hotels out of the Omni system later this year.
- Sale of 8 Hotels across Japan** – Its not often that a transaction involving 2,300 rooms is announced in Osaka and Kyoto. Japanese railway company Kintetsu has entered into a sale and leaseback arrangement with Blackstone to extract valuable equity support from these assets. The branding and operations of the assets shall remain unchanged which suggests that Blackstone is eyeing profits from the deal purely on the back of improved macro-economic conditions.



# HOTELIVATE TRANSACTIONS ADVISORY



Specialists in BUY-SIDE and SELL-SIDE activities for hotel assets; as well as financing arrangements via debt and equity capital for hotel real estate. We work with institutional investors, private seller, buyers and lenders to jointly discover the 'value-buys' or 'smart-sells' for hotel buyers and sellers respectively.

Please write to [saurabh@hotelivate.com](mailto:saurabh@hotelivate.com) to discuss your commercial proposition.

## Current Exclusive Sell-Side Mandates:

- ♦ 400 rooms branded hotel in Mumbai
- ♦ 150 rooms branded upscale hotel in Ahmedabad
- ♦ 300 rooms branded luxury resort in Jaipur
- ♦ 70 rooms branded luxury resort in Rajasthan
- ♦ 90 rooms midscale resort project in Rajasthan
- ♦ 150 rooms branded resort in Goa
- ♦ 50 rooms branded resort in Goa
- ♦ 50 rooms branded upper midscale hotel in Noida
- ♦ Boutique luxury resort in Uttarakhand

## Current Exclusive Buy-Side Mandates:

- ♦ Resorts in leisure locations – 100 rooms and above
- ♦ Resorts in leisure locations – 60 rooms and above
- ♦ Wellness oriented resort – hills of North India

## OUR ADVISORY SERVICES



### Asset Management

Unlocking the true potential of a hotel asset



### Executive Search

A holistic approach to talent acquisition



### Transactions Advisory

Innovative solutions for hotel deals



### Project Execution & Planning

Strategic guidance and leadership throughout the initial development stages of a hotel project



### Strategic Advisory

Trusted hospitality advisors for achieving optimal economic returns for your hospitality ventures