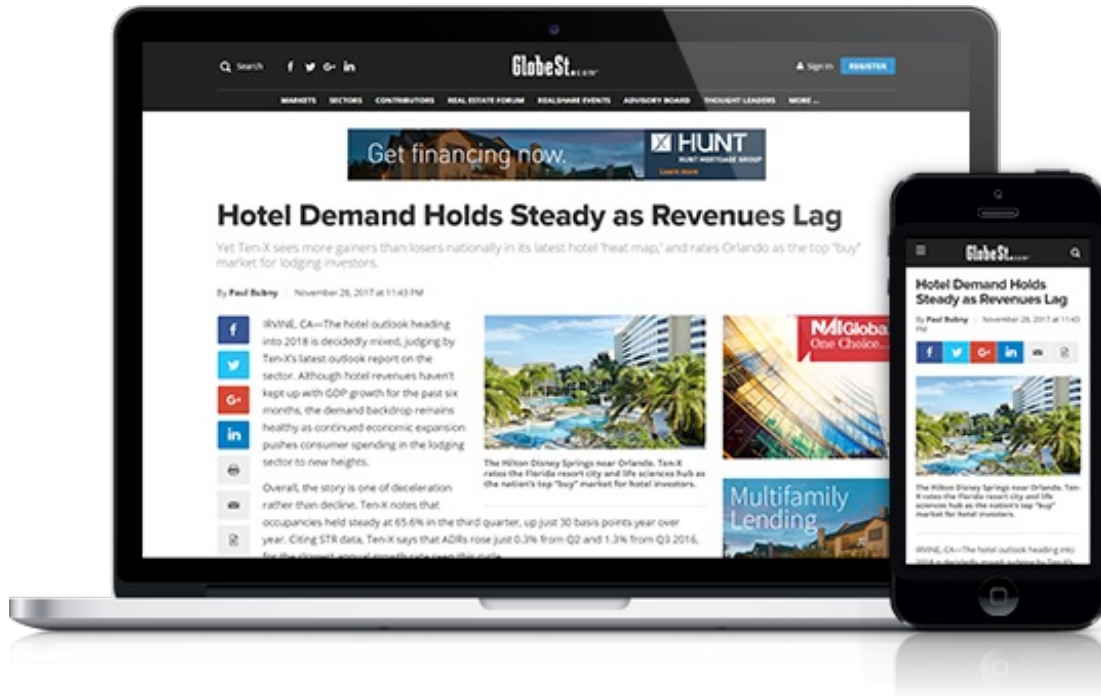


Q3 2018 US Lodging Market Update

globest.com/2018/10/29/q3-2018-us-lodging-market-update

By Daniel Lesser



What started as a bursting of the U.S. housing bubble between 2006 and 2007 and mushroomed into a failing subprime mortgage/credit market, ultimately resulted in the worst financial crisis since the Great Depression of the 1930s. Ten years ago, the Great Recession of 2008/2009 was ushered in by a full-blown international banking crisis sparked by the collapse of blue-chip investment banks Bear Stearns and Lehman Brothers. Through the end of Q3 2018, Wall Street is enjoying another heyday as profits for commercial banks are at a record high, the stock market is in its longest bull run in history, the U.S. economy is humming, and the Trump administration's deregulation and tax cuts rule the day. Furthermore, the globe is awash with diverse pools of debt and equity capital that increasingly favors real estate as a preferred vehicle for returns on and of capital.

High levels of U.S. consumer and business confidence are being fueled in part by low unemployment rates and rising wages both of which continue to have positive effects on the demand for US hotel room night demand. Additionally, new transient hotel room supply continues to rise at a rate lower than the increase in demand, resulting in growth and record setting levels of national occupancy, average room rate, and revenue per available room, and a near term outlook of more of the same.

The LW Hospitality Advisors Q3 2018 Major US Hotel Sales Survey includes 57 single asset sale transactions over \$10 million, none of which are part of a portfolio. These transactions totaled \$6.4 billion and included approximately 15,300 hotel rooms with an average sale price per room of \$419,000. By comparison, the LWHA Q3 2018 Major US Hotel Sales Survey

identified 44 transactions totaling roughly \$2.6 billion including 11,400 hotel rooms with an average sale price per room of nearly \$240,000.

Notable observations from the LWHA Q3 2018 Major US Hotel Sales Survey include:

- With thirteen major Q3 2018 hotel sales, Florida has been the most active transaction market followed by New York and California with eight and seven trades respectively;
- Eighteen of the 57, or almost one third of Q3 trades, were for greater than \$100 million each;
 - Eleven of the Q3 trades were between \$100 and \$200 million.
 - Two of the Q3 trades were between \$200 and \$300 million;
 - Brookfield Asset Management acquired the 339-unit PGA National Resort & Spa in Palm Beach Gardens, FL for \$233 million, or \$687,000 per key from Walton Street Capital who procured the property in 2006 for \$170 million, and purportedly spent \$89 million on renovations, for a total basis of \$259 million;
 - Extell Development Company purchased the 405 room Four Seasons Resort and Club Dallas at Las Colinas for \$235 million, or \$580,000 per unit from Blackstone who acquired the asset in 2014 for \$150 million from CW Capital Asset Management. The previous owner, who had defaulted on a \$175 million loan, had a reported basis of \$290 million in the property.
 - Five of the Q3 trades were for more than \$300 million;
- A joint venture which includes GFI Capital and Elliott Management acquired the 729 room Parker New York hotel for \$405 million, or more than \$550,000 per key from The Jack Parker Corporation who originally developed and opened the property in 1981;
- MSD Capital acquired the 426 room 1 Hotel South Beach for \$500 million, or roughly \$1.2 million per key from a partnership that included Starwood Capital Group, Invesco, and the Lefrak Organization;
- Gulf State of Qatar owned Katara Holding purchased NYC's iconic 282 room Plaza Hotel for \$600 million, or more than \$2.1 million per room from a partnership between Sahara U.S. Corp., Ashkenazy Acquisition Corp., and Kingdom Holding Co. The sale marked the final chapter in a multi-year global saga surrounding the Plaza Hotel's ownership;
- Blackstone acquired the 1,002 room JW Marriott San Antonio Hill Country Resort & Spa for \$650 million, or roughly \$650,000 per unit from a joint venture between Miller Global Properties & Principal Real Estate Investors that reportedly spent \$565 million to develop the project during the mid-2000's;
- A joint venture between Lubert-Adler & RIDA Development procured the 1,047 room Boca Raton Resort and Club, A Waldorf Astoria Resort for \$1 billion, or \$955,000 unit from Blackstone;

Sophisticated hotel centric investors continue to execute capital recycling strategies within the lodging sector. Entities that are active purchasers and sellers of hotels include: Blackstone, Brookfield Asset Management, Hyatt Hotels Corporation, MCR Development, Noble Investment Group, Procaccianti Group, Rockbridge, Starwood

Capital Group, Summit Hotel Properties, and Woodbine Development.

Pebblebrook Hotel Trust's winning \$5.2 billion bid to acquire LaSalle Hotel Properties (LHO) is a significant Q3 2018 portfolio transaction. PEB prevailed following a series of offers that followed its first attempt to purchase LHO during Q1 2018. The bidding war for LHO between PEB and Blackstone was intriguing given that it occurred nine years into an economic expansion.

Limited availability of employees coupled with a dramatic escalation in costs of labor and increasing insurance and property tax expenditures represent significant challenges for the sector. While rising interest rates create upward pressure on inflation and operating expenses, the continuous repricing of room nights positions lodging as a favorable investment hedge against any decrease(s) that may occur in the purchasing power of money.

Although no one knows when, the duration, and depth of recessionary effects on the U.S. and other global economies, and the risk for such phenomena is higher now than it has been for more than five years. Global trade policy tensions, an emerging market debt crisis, and/or an unforeseen shock may occur, however any black swan event(s) would need to be large and sustained to undermine growth in the U.S. economy. As long as U.S. economic expansion endures, the outlook for lodging fundamentals will remain positive resulting in continued deployment of domestic and foreign investment, and institutional capital into single assets and portfolios of all types and locations of U.S. hotels.

The views expressed here are the author's own and not that of ALM's Real Estate Media Group. Survey data can be found by following the link below:

[LW Hospitality Advisors \(LWHA\) Q3 2018 Major U.S. Hotel Sales Survey](#)

Daniel Lesser

Daniel H. Lesser, President & CEO of LW Hospitality Advisors LLC (LWHA), brings more than 35 years of expertise in a wide range of hospitality operational, investment counseling, valuation, advisory, and transactional services. He provides services to corporate, institutional, and individual clients as well as public agencies on all facets of hospitality real estate including: litigation support and expert testimony, site evaluation, highest and best use analysis, appraisals for mortgage, acquisition, and portfolio management, workout strategies, operational analysis, development consulting, property tax assessment appeal evaluations, economic impact studies, fairness opinions, deal structuring, and negotiation of management and franchise agreements. Mr. Lesser had been retained in connection with a broad variety of lodging assets throughout the Americas, as well as in Europe, the Middle East and Asia.



SELECT MAJOR U.S. HOTEL SALES SURVEY - Q3 2018

Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER	
Q3	Holiday Inn & Suites Phoenix-Mesa/Chandler	Mesa	AZ	246	\$13,100,000	\$53,252	AP2 Development	N/A
Q3	Hyatt Regency Phoenix	Phoenix	AZ	693	\$140,000,000	\$202,020	Hyatt Hotels Corporation	Gem Realty
Q3	Best Western InnSuites Yuma Mall Hotel & Suites	Yuma	AZ	166	\$16,250,000	\$97,892	Palm Springs Inn, LLC	Innsuites Hospitality Trust
Q3	Glorietta Bay Inn	Coronado	CA	100	\$39,000,000	\$390,000	Kamla Hotels	Ralph "Buzz" Woolley Jr.
Q3	DoubleTree by Hilton Hotel Los Angeles - Westside	Culver City	CA	375	\$151,500,000	\$404,000	Woodbine Development Corp.	Carlyle Group
Q3	Hyatt Regency Indian Wells	Indian Wells	CA	530	\$120,000,000	\$226,415	Hyatt Hotels Corporation	N/A
Q3	Embassy Suites by Hilton Napa Valley	Napa	CA	205	\$102,000,000	\$497,561	N/A	RLJ Lodging Trust
Q3	Hyatt Regency Newport Beach ¹	Newport Beach	CA	410	\$95,000,000	\$231,707	Woodridge Capital Partners	Sunstone Hotel Investors Inc.
Q3	DoubleTree Suites by Hilton Hotel Santa Monica	Santa Monica	CA	253	\$154,000,000	\$608,696	JV Westmont Hospitality Group & Square Mile Capital Management	JV Merion Realty Partners & Procaccianti Cos.
Q3	La Quinta Inn & Suites Santa Clarita - Valencia	Stevenson Ranch	CA	112	\$22,000,000	\$196,429	N/A	N/A
Q3	Aloft Broomfield Denver	Broomfield	CO	139	\$19,320,000	\$138,993	Real Hospitality Group	Gentry Mills Capital
Q3	Ritz-Carlton, Denver	Denver	CO	202	\$100,250,000	\$496,287	Xenia Hotels & Resorts, Inc.	Pearlmark Real Estate Partners
Q3	Boca Raton Resort and Club, A Waldorf Astoria Resort	Boca Raton	FL	1047	\$1,000,000,000	\$955,110	JV Lubert-Adler & RIDA Development	Blackstone
Q3	DoubleTree by Hilton Hotel Deerfield Beach - Boca Raton	Deerfield Beach	FL	220	\$22,300,000	\$101,364	Vista Property Management	Garrison Investment Group

1) The hotel is subject to a short term ground lease that is scheduled to mature in 2048.

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Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q3	Bahia Cabana Beach Resort ²	Fort Lauderdale	FL 70	\$17,270,000	\$246,714	N/A	Riviera Resort Club Developers
Q3	Hyatt Place Fort Myers/at The Forum	Fort Myers	FL 148	\$16,500,000	\$111,486	N/A	Summit Hotel Properties, Inc.
Q3	Historic Key West Inns ³	Key West	FL 212	\$109,000,000	\$514,151	KHP Capital Partners	Julie Fondriest
Q3	SpringHill Suites Miami Airport South	Miami	FL 150	\$29,250,000	\$195,000	Starwood Capital Group	Noble Investment Group LLC
Q3	1 Hotel South Beach	Miami Beach	FL 426	\$500,000,000	\$1,173,709	MSD Capital	JV Starwood Capital Group & Invesco & Lefrak Organization
Q3	Eurostars Vintro Hotel	Miami Beach	FL 50	\$20,000,000	\$400,000	Henley USA	Encotel LLC,
Q3	Fort Lauderdale Marriott Pompano Beach Resort & Spa	Pompano Beach	FL 219	\$45,150,000	\$206,164	Pan Am Equities	JV Carlyle Group & Urgo Hotels
Q3	Renaissance Vinoy St. Petersburg Resort & Golf Club	St. Petersburg	FL 362	\$188,500,000	\$520,718	SCG Hospitality LLC	RLJ Lodging Trust
Q3	Courtyard by Marriott Tampa Downtown	Tampa	FL 141	\$27,300,000	\$193,617	Starwood Capital Group	Noble Investment Group LLC
Q3	Hampton Inn Tampa-Veterans Expwy (Airport North)	Tampa	FL 86	\$12,600,000	\$146,512	N/A	N/A
Q3	PGA National Resort & Spa	Palm Beach Gardens	FL 339	\$233,000,000	\$687,316	Brookfield Asset Management	Walton Street Capital
Q3	Hampton Inn & Suites by Hilton Atlanta Perimeter Dunwoody	Atlanta	GA 132	\$29,500,000	\$223,485	Apple Hospitality REIT, Inc.	N/A
Q3	Hilton Garden Inn Atlanta Perimeter Center	Atlanta	GA 193	\$28,500,000	\$147,668	Noble Investment Group LLC	Blackstone
Q3	Residence Inn by Marriott Boston Downtown/Seaport	Boston	MA 120	\$77,000,000	\$641,667	Claremont Companies	Norwich Partners

2) Hotel closed in October 2017 due to extensive damage from Hurricane Irma.

3) Transaction included including the Key Lime Inn, Lighthouse Court, Albury Court, Merlenn Inn, Chelsea House, Cypress House and associated office buildings and parking lots.

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Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER	
Q3	Residence Inn Boston Watertown	Watertown	MA	150	\$71,000,000	\$473,333	Summit Hotel Properties	N/A
Q3	DoubleTree by Hilton Hotel Columbia	Columbia	MD	152	\$12,900,000	\$84,868	N/A	RLJ Lodging Trust
Q3	Greenbelt Marriott	Greenbelt	MD	248	\$18,000,000	\$72,581	Lerner Enterprises	SB&G Hotel Group
Q3	Hotel Indigo Traverse City	Traverse City	MI	107	\$26,050,000	\$243,458	Procaccianti Group, LLC	Grand Traverse Hotel Properties, LLC
Q3	Hilton St. Louis Downtown at the Arch	St. Louis	MO	195	\$29,500,000	\$151,282	Rockbridge	MCR Development LLC
Q3	Marriott St. Louis West	St. Louis	MO	299	\$22,500,000	\$75,251	N/A	LNR Partners
Q3	Hyatt Place North Raleigh-Midtown	Raleigh	NC	126	\$13,750,000	\$109,127	Trinity Hospitality	BPR Properties
Q3	Stockton Seaview Hotel & Golf Club	Galloway	NJ	296	\$21,070,000	\$71,182	KDG Capital LLC	Stockton University
Q3	Holiday Inn Express & Suites Carson City	Carson City	NV	85	\$12,500,000	\$147,059	NVC Hospitality	Carson City Hotel LLC
Q3	Westin Las Vegas Hotel & Spa	Las Vegas	NV	826	\$195,500,000	\$236,683	JV Highgate & Cerberus Capital Management	Fortress Investment Group
Q3	Hampton Inn NY-JFK International Airport	Jamaica	NY	226	\$39,700,000	\$175,664	ASAP International	Magna Hospitality Group
Q3	Z NYC Hotel	Long Island City	NY	100	\$43,000,000	\$430,000	Merchants Hospitality Properties	Estate of Henry Zilberman
Q3	Hotel Indigo Lower East Side New York	New York	NY	294	\$162,500,000	\$552,721	MRR Development	JV Brack Capital Real Estate & InterContinental Hotels Group
Q3	Parker New York	New York	NY	729	\$405,000,000	\$555,556	JV GFI Capital & Elliott Management	The Jack Parker Corporation
Q3	The Plaza	New York	NY	282	\$600,000,000	\$2,127,660	Katara Holding	JV Sahara U.S. Corp. & Ashkenazy Acquisition Corp. & Kingdom Holding Co.

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Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q3	Viceroy Central Park New York	New York	NY 240	\$41,000,000	\$170,833	Arden Group	New York REIT Inc.
Q3	W New York - Union Square	New York	NY 270	\$171,000,000	\$633,333	Westbrook Partners	Host Hotels & Resorts, Inc.
Q3	Wingate by Wyndham Manhattan Midtown	New York	NY 92	\$44,000,000	\$478,261	H.I.S. Hospitality	Manhattan Hotel Group
Q3	Holiday Inn Express Columbus - Dublin	Dublin	OH 117	\$10,150,000	\$86,752	N/A	N/A
Q3	Fairmont Pittsburgh	Pittsburgh	PA 185	\$30,000,000	\$162,162	Xenia Hotels & Resorts	N/A
Q3	Residence Inn Charleston Summerville	Summerville	SC 96	\$20,800,000	\$216,667	Chatham Lodging Trust	N/A
Q3	Four Seasons Resort and Club Dallas at Las Colinas	Irving	TX 405	\$235,000,000	\$580,247	Extell Development Company	Blackstone
Q3	JW Marriott San Antonio Hill Country Resort & Spa	San Antonio Hill	TX 1002	\$650,000,000	\$648,703	Blackstone Group LP	JV Miller Global Properties & Principal Real Estate Investors
Q3	Hampton Inn Richmond-West	Glen Allen	VA 135	\$12,150,000	\$90,000	Shamin Hotels	Cedar Inns
Q3	Hyatt Regency Dulles	Herndon	VA 316	\$47,000,000	\$148,734	Wheelock Street Capital	Brookfield Property Group
Q3	Red Lion Hotel Port Angeles	Port Angeles	WA 187	\$19,500,000	\$104,278	BHG Hotels LLC	RLH Corporation
Q3	Kimpton Palladian Hotel	Seattle	WA 97	\$42,000,000	\$432,990	GEM Real Estate Partners	N/A
Q3	Hotel RL Spokane at the Park	Spokane	WA 184	\$35,000,000	\$190,217	Worthy Hotels Inc.	RLH Corporation
Q3	Hyatt Regency Milwaukee	Milwaukee	WI 481	\$37,300,000	\$77,547	Cambridge Landmark	Noble Investment Group LLC

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SELECT MAJOR U.S. HOTEL SALES SURVEY - YTD Q3 2018

Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q2	Courtyard by Marriott Bentonville	Bentonville	AR	90	\$11,000,000	\$122,222	SMC Hotels Group of Louisiana Wally Hospitality, Inc.
Q3	Holiday Inn & Suites Phoenix-Mesa/Chandler	Mesa	AZ	246	\$13,100,000	\$53,252	AP2 Development N/A
Q2	Hampton Inn & Suites Phoenix Downtown	Phoenix	AZ	210	\$44,000,000	\$209,524	Apple Hospitality REIT, Inc. N/A
Q3	Hyatt Regency Phoenix	Phoenix	AZ	693	\$140,000,000	\$202,020	Hyatt Hotels Corporation Gem Realty
Q1	Kimpton Hotel Palomar	Phoenix	AZ	242	\$80,000,000	\$330,579	DiamondRock Hospitality Company N/A
Q2	The Arizona Biltmore	Phoenix	AZ	740	\$403,400,000	\$545,135	Blackstone Real Estate Advisors Government of Singapore
Q2	Sheraton Grand Phoenix	Phoenix	AZ	1000	\$255,000,000	\$255,000	JV Marriott International & TLG Investment Partners & Concord Wilshire Capital, LLC City of Phoenix
Q2	SmokeTree Resort & Bungalows	Scottsdale	AZ	26	\$10,200,000	\$392,308	Geneva Holdings LLC Williams Family
Q3	Best Western InnSuites Yuma Mall Hotel & Suites	Yuma	AZ	166	\$16,250,000	\$97,892	Palm Springs Inn, LLC Innsuites Hospitality Trust
Q1	Portofino Inn & Suites	Anaheim	CA	190	\$26,000,000	\$136,842	N/A N/A
Q2	West Inn & Suites	Carlsbad	CA	86	\$19,500,000	\$226,744	Pacifica Companies West Real Estate, LLC
Q3	Glorietta Bay Inn	Coronado	CA	100	\$39,000,000	\$390,000	Kamla Hotels Ralph "Buzz" Woolley Jr.
Q3	DoubleTree by Hilton Hotel Los Angeles - Westside	Culver City	CA	375	\$151,500,000	\$404,000	Woodbine Development Corp. Carlyle Group
Q1	Wyndham Anaheim Garden Grove	Garden Grove	CA	376	\$61,000,000	\$162,234	Khanna Enterprises Pacific Hospitality Group
Q3	Hyatt Regency Indian Wells	Indian Wells	CA	530	\$120,000,000	\$226,415	Hyatt Hotels Corporation N/A

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Q1	Laguna Riviera Beach Resort	Laguna Beach	CA	41	\$21,000,000	\$512,195	Ferrado Laguna LLC Laguna Riviera Inc.
Q2	Barclay Hotel	Los Angeles	CA	165	\$21,000,000	\$127,273	Golden Hills Properties N/A
Q2	Hotel MdR Marina del Rey - a DoubleTree by Hilton	Marina del Rey	CA	283	\$127,000,000	\$448,763	London & Regional Properties JV Lubert-Adler, Channel West Group & Arris Investments
Q3	Embassy Suites by Hilton Napa Valley	Napa	CA	205	\$102,000,000	\$497,561	N/A RLJ Lodging Trust
Q3	Hyatt Regency Newport Beach ¹	Newport Beach	CA	410	\$95,000,000	\$231,707	Woodridge Capital Partners Sunstone Hotel Investors Inc.
Q1	Residence Inn by Marriott Sacramento Airport Natomas	Sacramento	CA	126	\$23,500,000	\$186,508	Welcome Group Inc. N/A
Q1	Fairmont San Jose	San Jose	CA	805	\$223,500,000	\$277,640	SJ SC Holdings Light Tower Associates
Q2	Hayes Mansion	San Jose	CA	214	\$30,000,000	\$140,187	JMA Ventures City of San Jose
Q1	Embassy Suites by Hilton San Rafael Marin County	San Rafael	CA	230	\$37,900,000	\$164,783	Hotel McInnis Marin LLC Marin Hotel Owner LLC
Q2	Hyatt Centric Santa Barbara	Santa Barbara	CA	200	\$90,000,000	\$450,000	N/A Chesapeake Lodging Trust
Q3	DoubleTree Suites by Hilton Hotel Santa Monica	Santa Monica	CA	253	\$154,000,000	\$608,696	JV Westmont Hospitality Group & Square Mile Capital Management JV Merion Realty Partners & Procaccianti Cos.
Q2	Wine Valley Inn & Cottages	Solvang	CA	65	\$15,900,000	\$244,615	Lombard Street, LP Palm Springs Inn, LLC
Q1	The Landing Resort & Spa	South Lake Tahoe	CA	77	\$42,000,000	\$545,455	DiamondRock Hospitality Company N/A
Q3	La Quinta Inn & Suites Santa Clarita - Stevenson Ranch	Valencia	CA	112	\$22,000,000	\$196,429	N/A N/A

1) The hotel is subject to a short term ground lease that is scheduled to mature in 2048.

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Q3	Aloft Broomfield Denver	Broomfield	CO	139	\$19,320,000	\$138,993	Real Hospitality Group Gentry Mills Capital
Q2	Best Inn Suites Denver	Denver	CO	190	\$11,000,000	\$57,895	N/A N/A
Q2	Brown Palace Hotel & Spa & Holiday Inn Express Denver Downtown	Denver	CO	472	\$125,400,000	\$265,678	Crescent Real Estate Holdings LLC Crow Holdings
Q3	Ritz-Carlton, Denver	Denver	CO	202	\$100,250,000	\$496,287	Xenia Hotels & Resorts, Inc. Pearlmark Real Estate Partners
Q1	Best Western Plus Plaza	Longmont	CO	210	\$11,500,000	\$54,762	Shamin Hotels N/A
Q1	Beacon Hotel	Washington	DC	199	\$59,700,000	\$300,000	JV Rockpoint Group and Three Wall Capital Capital Hotels
Q1	Renaissance Dupont Circle Hotel	Washington	DC	355	\$80,800,000	\$227,606	Thayer Lodging Carey Value Added S.I.
Q1	Boca Raton Marriott at Boca Center	Boca Raton	FL	256	\$69,300,000	\$270,703	AVR Realty Co. Carey Watermark Investors
Q3	Boca Raton Resort and Club, A Waldorf Astoria Resort	Boca Raton	FL	1047	\$1,000,000,000	\$955,110	JV Lubert-Adler & RIDA Development Blackstone
Q3	DoubleTree by Hilton Hotel Deerfield Beach - Boca Raton	Deerfield Beach	FL	220	\$22,300,000	\$101,364	Vista Property Management Garrison Investment Group
Q1	Hampton Inn & Suites Destin	Destin	FL	130	\$31,500,000	\$242,308	Key International McNeill Hotel Co.
Q3	Bahia Cabana Beach Resort ²	Fort Lauderdale	FL	70	\$17,270,000	\$246,714	N/A Riviera Resort Club Developers
Q2	Hilton Fort Lauderdale Marina	Fort Lauderdale	FL	589	\$170,600,000	\$289,643	Brookfield Thayer Lodging Group Blackstone Group
Q1	Sheraton Suites Fort Lauderdale at Cypress Creek	Fort Lauderdale	FL	253	\$18,250,000	\$72,134	Equity Management Partners Platinum Equity

2) Hotel closed in October 2017 due to extensive damage from Hurricane Irma.

SELECT MAJOR U.S. HOTEL SALES SURVEY - YTD Q3 2018

Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q1	Universal Palms Hotel	Fort Lauderdale	FL	195	\$13,000,000	\$66,667	4900 Powerline LLC Universal Hotel Inc.
Q1	Hampton Inn & Suites Fort Myers-Colonial Blvd.	Fort Myers	FL	102	\$13,900,000	\$136,275	HRC Hotels LLC N/A
Q3	Hyatt Place Fort Myers/at The Forum	Fort Myers	FL	148	\$16,500,000	\$111,486	N/A Summit Hotel Properties, Inc.
Q2	Margaritaville Hollywood Beach Resort	Hollywood	FL	349	\$126,500,000	\$362,464	JV KSL Capital Partners, LLC & Davidson Hotels & Resorts JV Lon Tabatchnick and Starwood Capital Group
Q1	Aloft Jacksonville Airport	Jacksonville	FL	136	\$13,500,000	\$99,265	Gehr Hospitality Peachtree Hotel Group.
Q3	Historic Key West Inns ³	Key West	FL	212	\$109,000,000	\$514,151	KHP Capital Partners Julie Fondriest
Q3	SpringHill Suites Miami Airport South	Miami	FL	150	\$29,250,000	\$195,000	Starwood Capital Group Noble Investment Group LLC
Q3	1 Hotel South Beach	Miami Beach	FL	426	\$500,000,000	\$1,173,709	MSD Capital JV Starwood Capital Group & Invesco & Lefrak Organization
Q3	Eurostars Vintro Hotel	Miami Beach	FL	50	\$20,000,000	\$400,000	Henley USA Encotel LLC,
Q1	The Hall South Beach	Miami Beach	FL	163	\$58,200,000	\$357,055	Grup Peralada Rockwood Capital
Q2	Bradley Park Hotel	Palm Beach	FL	32	\$15,400,000	\$481,250	New England Development New Bradley House Limited
Q1	Sheraton Suites Fort Lauderdale Plantation	Plantation	FL	263	\$24,660,000	\$93,764	Everwood Hospitality Partners, Fillmore Capital Partners
Q3	Fort Lauderdale Marriott Pompano Beach Resort & Spa	Pompano Beach	FL	219	\$45,150,000	\$206,164	Pan Am Equities JV Carlyle Group & Urgo Hotels
Q1	Ritz-Carlton Sarasota	Sarasota	FL	266	\$171,000,000	\$642,857	Ashford Hospitality Prime N/A

3) Transaction included including the Key Lime Inn, Lighthouse Court, Albury Court, Merlinn Inn, Chelsea House, Cypress House and associated office buildings and parking lots.

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Q	PROPERTY	LOCATION		NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q3	Renaissance Vinoy St. Petersburg Resort & Golf Club	St. Petersburg	FL	362	\$188,500,000	\$520,718	SCG Hospitality LLC	RLJ Lodging Trust
Q3	Courtyard by Marriott Tampa Downtown	Tampa	FL	141	\$27,300,000	\$193,617	Starwood Capital Group	Noble Investment Group LLC
Q1	DoubleTree Suites by Hilton Hotel Tampa Bay	Tampa	FL	203	\$34,000,000	\$167,488	Rocky Point Hospitality LLC	Tampa Falcon LLC
Q3	Hampton Inn Tampa-Veterans Expwy (Airport North)	Tampa	FL	86	\$12,600,000	\$146,512	N/A	N/A
Q2	Renaissance Tampa International Plaza	Tampa	FL	293	\$68,000,000	\$232,082	JV Clearview Hotel Capital & Oaktree Capital Management L.P.	Braemar Hotels & Resorts Inc.
Q2	Residence Inn by Marriott Tampa Downtown	Tampa	FL	109	\$24,000,000	\$220,183	Noble Investment Group	Ashford Hospitality Trust, Inc.
Q1	Holiday Inn Express & Suites Trinity	Trinity	FL	87	\$12,200,000	\$140,230	Trinity 123 LLC	MPH Hotels
Q3	PGA National Resort & Spa	Palm Beach Gardens	FL	339	\$233,000,000	\$687,316	Brookfield Asset Management	Walton Street Capital
Q3	Hampton Inn & Suites by Hilton Atlanta Perimeter Dunwoody	Atlanta	GA	132	\$29,500,000	\$223,485	Apple Hospitality REIT, Inc.	N/A
Q2	Hampton Inn & Suites by Hilton Atlanta Perimeter Dunwoody	Atlanta	GA	132	\$29,500,000	\$223,485	Apple Hospitality REIT, Inc.	N/A
Q3	Hilton Garden Inn Atlanta Perimeter Center	Atlanta	GA	193	\$28,500,000	\$147,668	Noble Investment Group LLC	Blackstone
Q1	Aston Waikiki Beach Hotel	Honolulu	HI	645	\$200,000,000	\$310,078	N/A	Xenia Hotels & Resorts, Inc.
Q1	Soho House Chicago	Chicago	IL	40	\$95,000,000	\$2,375,000	JV Shapack Partners & AJ Capital	Sino-Ocean Land
Q2	The James Chicago - Magnificent Mile	Chicago	IL	297	\$83,000,000	\$279,461	Junius Real Estate Partners	Denihan Hospitality
Q2	Tremont Chicago Hotel	Chicago	IL	135	\$25,500,000	\$188,889	Hotel Capital	Marriott International

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SELECT MAJOR U.S. HOTEL SALES SURVEY - YTD Q3 2018

Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q1	Chicago Marriott Schaumburg	Schaumburg	IL 398	\$35,500,000	\$89,196	JV Arbor Lodging Partners & Middleton Partners	Investcorp US Real Estate.
Q2	Embassy Suites Schaumburg	Schaumburg	IL 209	\$23,000,000	\$110,048	Pearlshire Capital Group	Hotel Capital
Q2	Margaritaville Resort Casino ⁴	Bossier City	LA 395	\$376,000,000	\$951,899	Penn National Gaming, Inc. & VICI Properties Inc.	Bossier Casino Venture, Inc.
Q1	Chandler Inn	Boston	MA 55	\$24,900,000	\$452,727	N/A	N/A
Q3	Residence Inn by Marriott Boston Downtown/Seaport	Boston	MA 120	\$77,000,000	\$641,667	Claremont Companies	Norwich Partners
Q1	Harbor View Hotel	Edgartown	MA 130	\$30,000,000	\$230,769	Upland Capital Corporation	Scout Harbor View Property LLC
Q2	Tower Square Hotel Springfield	Springfield	MA 265	\$10,500,000	\$39,623	Dinesh Patel	MassMutual
Q3	Residence Inn Boston Watertown	Watertown	MA 150	\$71,000,000	\$473,333	Summit Hotel Properties	N/A
Q2	Annapolis Waterfront Hotel	Annapolis	MD 150	\$41,500,000	\$276,667	Hersha Hospitality Trust	Brookfield Thayer Lodging
Q1	Embassy Suites Baltimore Inner Harbor & The Grand	Baltimore	MD 300	\$37,960,000	\$126,533	N/A	JV Chartres Lodging Group LLC & Garrison Investment Group LP
Q3	DoubleTree by Hilton Hotel Columbia	Columbia	MD 152	\$12,900,000	\$84,868	N/A	RLJ Lodging Trust
Q3	Greenbelt Marriott	Greenbelt	MD 248	\$18,000,000	\$72,581	Lerner Enterprises	SB&G Hotel Group
Q1	Holiday Inn Baltimore BWI Airport	Linthicum Heights	MD 137	\$15,800,000	\$115,328	N/A	N/A
Q1	Westin Baltimore Washington Airport - BWI	Linthicum Heights	MD 260	\$34,000,000	\$130,769	Frontier Development & Hospitality Group LLC	N/A

4) Penn National Gaming, Inc. to acquire the operations for \$115 million and VICI Properties Inc. agreed to acquire the land and real estate assets for \$261 million for a total of \$376 million

SELECT MAJOR U.S. HOTEL SALES SURVEY - YTD Q3 2018

Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER	
Q1	Westin Washington National Harbor	Oxon Hill	MD	195	\$55,500,000	\$284,615	Capstone Development LLC	SREE Hotels
Q3	Hotel Indigo Traverse City	Traverse City	MI	107	\$26,050,000	\$243,458	Procaccianti Group, LLC	Grand Traverse Hotel Properties, LLC
Q1	DoubleTree by Hilton Hotel Minneapolis - University Area	Minneapolis	MN	141	\$38,300,000	\$271,631	AIG Global Real Estate Investment Corp.	JV Reuter Walton Companies & CPM Cos.
Q2	Radisson Blu Minneapolis Downtown	Minneapolis	MN	360	\$75,000,000	\$208,333	Hospitality Properties Trust	JV Chartres Lodging Group & KKR
Q1	Four Points by Sheraton Mall of America Minneapolis Airport	Richfield	MN	146	\$12,825,000	\$87,842	MOA Hospitality Group	N/A
Q1	Holiday Inn	Rochester	MN	173	\$18,200,000	\$105,202	EKN Development Group	N/A
Q3	Hilton St. Louis Downtown at the Arch	St. Louis	MO	195	\$29,500,000	\$151,282	Rockbridge	MCR Development LLC
Q2	Holiday Inn Express St. Louis Central West End	St. Louis	MO	127	\$11,600,000	\$91,339	Lodging One Hospitality	Garrison Investment Group
Q3	Marriott St. Louis West	St. Louis	MO	299	\$22,500,000	\$75,251	N/A	LNR Partners
Q1	Fairfield Inn & Suites by Marriott Greensboro Wendover	Greensboro	NC	98	\$11,500,000	\$117,347	WeCare Hotels	N/A
Q3	Hyatt Place North Raleigh-Midtown	Raleigh	NC	126	\$13,750,000	\$109,127	Trinity Hospitality	BPR Properties
Q2	Staybridge Suites Wilmington - Wrightsville Bch	Wilmington	NC	92	\$13,000,000	\$141,304	Lodging Opportunity Fund	JV TriGate Capital & Beacon Investment Management Group
Q3	Stockton Seaview Hotel & Golf Club	Galloway	NJ	296	\$21,070,000	\$71,182	KDG Capital LLC	Stockton University
Q3	Holiday Inn Express & Suites Carson City	Carson City	NV	85	\$12,500,000	\$147,059	NVC Hospitality	Carson City Hotel LLC
Q2	Mandarin Oriental Las Vegas ⁵	Las Vegas	NV	392	\$214,000,000	\$545,918	N/A	MGM Resorts International

5) Transaction includes hotel and adjacent retail properties.

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Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q2	Renaissance Las Vegas	Las Vegas	NV 548	\$177,900,000	\$324,635	JV Rockpoint Group & Highgate	Wheelock Street Capital
Q3	Westin Las Vegas Hotel & Spa	Las Vegas	NV 826	\$195,500,000	\$236,683	JV Highgate & Cerberus Capital Management	Fortress Investment Group
Q1	Hampton Inn & Suites Buffalo Airport	Buffalo	NY 109	\$12,150,000	\$111,468	Manga Hotels	Baywood Hotels
Q3	Hampton Inn NY-JFK International Airport	Jamaica	NY 226	\$39,700,000	\$175,664	ASAP International	Magna Hospitality Group
Q3	Z NYC Hotel	Long Island City	NY 100	\$43,000,000	\$430,000	Merchants Hospitality Properties	Estate of Henry Zilberman
Q1	Hilton Garden Inn Long Island City Queensboro Bridge	Long Island City	NY 183	\$60,000,000	\$327,869	Lightstone Group	JV Sagamore Capital & Ranger Properties
Q2	Montauk Yacht Club Resort & Marina	Montauk	NY 107	\$60,000,000	\$560,748	JV Metrovest Equities & BLDG Management	Island Global Yachting
Q2	Aloft Harlem	New York	NY 124	\$33,800,000	\$272,581	Core Capital Investments	RCG Longview
Q1	Comfort Inn Midtown West	New York	NY 89	\$29,200,000	\$328,090	McSam Hotel Group	M&R Hotel Management
Q1	Hampton Inn Manhattan-Seaport-Financial District	New York	NY 81	\$32,400,000	\$400,000	Shamin Hotels	Hersha Hospitality
Q2	Hilton New York Grand Central	New York	NY 300	\$50,000,000	\$166,667	Westgate Resorts	Lone Star Funds
Q3	Hotel Indigo Lower East Side New York	New York	NY 294	\$162,500,000	\$552,721	MRR Development	JV Brack Capital Real Estate & InterContinental Hotels Group
Q2	Hotel Indigo Lower East Side New York	New York	NY 294	\$162,000,000	\$551,020	MRR Development	JV Brack Capital Real Estate & InterContinental Hotels Group
Q3	Parker New York	New York	NY 729	\$405,000,000	\$555,556	JV GFI Capital & Elliott Management	The Jack Parker Corporation

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Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q2	Quin Hotel	New York	NY	208	\$175,000,000	\$841,346	Hilton Grand Vacations UBS Asset Management
Q2	Riff Hotel Downtown ⁶	New York	NY	36	\$19,200,000	\$533,333	The King's College Salt Equities
Q3	The Plaza	New York	NY	282	\$600,000,000	\$2,127,660	Katara Holding JV Sahara U.S. Corp. & Ashkenazy Acquisition Corp. & Kingdom Holding Co.
Q3	Viceroy Central Park New York	New York	NY	240	\$41,000,000	\$170,833	Arden Group New York REIT Inc.
Q1	W New York	New York	NY	697	\$190,000,000	\$272,597	JV Capstone Equities & Dune Real Estate Partners Host Hotels & Resorts, Inc.
Q3	W New York - Union Square	New York	NY	270	\$171,000,000	\$633,333	Westbrook Partners Host Hotels & Resorts, Inc.
Q3	Wingate by Wyndham Manhattan Midtown	New York	NY	92	\$44,000,000	\$478,261	H.I.S. Hospitality Manhattan Hotel Group
Q3	Holiday Inn Express Columbus - Dublin	Dublin	OH	117	\$10,150,000	\$86,752	N/A N/A
Q2	Hilton Garden Inn Bend	Bend	OR	96	\$25,730,000	\$268,021	JV Bluff Bend Hotel, LLC & Athlos Academies Ameritel Inns, Inc.
Q2	Hilton Eugene	Eugene	OR	275	\$79,700,000	\$289,818	AJ Capital Partners Rockbridge Capital
Q1	The Porter Portland	Portland	OR	294	\$149,000,000	\$506,803	Union Investment N/A
Q1	Eagle Crest Resort	Redmond	OR	100	\$12,000,000	\$120,000	Eagle Crest Acquisition Group JV Northview Hotel Group & Oaktree Capital LLC
Q1	Sands Casino Resort Bethlehem	Bethlehem	PA	302	\$1,300,000,000	\$4,304,636	Wind Creek Hospitality Las Vegas Sands Corp.
Q2	Embassy Suites Pittsburgh Airport	Coraopolis	PA	223	\$25,000,000	\$112,108	Tapestry Senior Housing Management NHH CMS Pittsburgh LP

6) The King's College plans to convert the property into a dormitory

SELECT MAJOR U.S. HOTEL SALES SURVEY - YTD Q3 2018

Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q1	Sheraton Philadelphia Society Hill Hotel	Philadelphia	PA	364	\$95,500,000	\$262,363	Buccini/Pollin Group RLJ Lodging Trust
Q3	Fairmont Pittsburgh	Pittsburgh	PA	185	\$30,000,000	\$162,162	Xenia Hotels & Resorts N/A
Q1	Newport Marriott	Newport	RI	320	\$88,000,000	\$275,000	N/A N/A
Q3	Residence Inn Charleston Summerville	Summerville	SC	96	\$20,800,000	\$216,667	Chatham Lodging Trust N/A
Q2	DoubleTree by Hilton Hotel Memphis Downtown	Memphis	TN	280	\$28,900,000	\$103,214	Continental Hospitality Group Carey Watermark 1
Q1	Hilton Memphis	Memphis	TN	405	\$31,000,000	\$76,543	Linchris Hotel Corp. Davidson Hotels & Resorts
Q1	Homewood Suites by Hilton Nashville-Downtown	Nashville	TN	107	\$48,500,000	\$453,271	AVR Realty Co Sun Development & Management Corporation
Q1	Park Tower Inn	Pigeon Forge	TN	154	\$10,000,000	\$64,935	N/A N/A
Q1	TownePlace Suites Austin North/Tech Ridge	Austin	TX	122	\$19,750,000	\$161,885	Condor Hospitality Trust, Inc. MB Hospitality (AUSN), LP
Q3	Four Seasons Resort and Club Dallas at Las Colinas	Irving	TX	405	\$235,000,000	\$580,247	Extell Development Company Blackstone
Q2	Eilan Hotel & Spa	San Antonio	TX	165	\$34,300,000	\$207,879	Bluegreen Vacations Corp Lone Star Funds
Q3	JW Marriott San Antonio Hill Country Resort & Spa	San Antonio Hill	TX	1002	\$650,000,000	\$648,703	Blackstone Group LP JV Miller Global Properties & Principal Real Estate Investors
Q2	Hilton Alexandria Old Town	Alexandria	VA	252	\$111,000,000	\$440,476	Ashford Hospitality Trust Walton Street Capital
Q1	Residence Inn Alexandria Old Town/Duke Street	Alexandria	VA	240	\$72,000,000	\$300,000	AVR Acquisition Corp. N/A
Q2	Hyatt Centric Arlington	Arlington	VA	318	\$81,000,000	\$254,717	Southerly Hotels Inc. N/A

SELECT MAJOR U.S. HOTEL SALES SURVEY - YTD Q3 2018

Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q1	Hyatt Centric Arlington	Arlington	VA 318	\$79,700,000	\$250,629	Sotherly Hotels LP	N/A
Q1	Westin Tysons Corner	Falls Church	VA 407	\$62,000,000	\$152,334	JV Sefira Capital, Driftwood Acquisitions & Development & Merrimac Ventures	CWCapital
Q3	Hampton Inn Richmond-West	Glen Allen	VA 135	\$12,150,000	\$90,000	Shamin Hotels	Cedar Inns
Q2	SpringHill Suites by Marriott Richmond North Glen Allen	Glen Allen	VA 136	\$10,850,000	\$79,779	MCR	N/A
Q3	Hyatt Regency Dulles	Herndon	VA 316	\$47,000,000	\$148,734	Wheelock Street Capital	Brookfield Property Group
Q2	Virginia Beach Resort Hotel and Conference Center	Virginia Beach	VA 295	\$19,000,000	\$64,407	Lingerfelt Commonwealth Partners	N/A
Q1	AC Hotel by Marriott Seattle Bellevue/Downtown	Bellevue	WA 234	\$87,000,000	\$371,795	Ishin Aju Hotel Bellevue LLC.	WPPI Bellevue AC, LLC
Q1	Red Lion Hotel Pasco ⁷	Pasco	WA 279	\$13,100,000	\$46,953	JV JODH's Development, LLC & RRR Investment, LLC	RL Pasco, LLC
Q3	Red Lion Hotel Port Angeles	Port Angeles	WA 187	\$19,500,000	\$104,278	BHG Hotels LLC	RLH Corporation
Q3	Kimpton Palladian Hotel	Seattle	WA 97	\$42,000,000	\$432,990	GEM Real Estate Partners	N/A
Q1	Motif Seattle	Seattle	WA 319	\$145,000,000	\$454,545	N/A	Cornerstone Real Estate Advisers LLC
Q3	Hotel RL Spokane at the Park	Spokane	WA 184	\$35,000,000	\$190,217	Worthy Hotels Inc.	RLH Corporation
Q3	Hyatt Regency Milwaukee	Milwaukee	WI 481	\$37,300,000	\$77,547	Cambridge Landmark	Noble Investment Group LLC
Q1	Courtyard Milwaukee Downtown	Milwaukee	WI 169	\$20,500,000	\$121,302	MCR Milwaukee LLC	Amoroso Companies

7) Sale included adjacent vacant lot