

A Breakdown of the Major US Hotel Sales for Q1

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April 18, 2022

By Daniel H. Lesser

As the world was emerging from a once in a century pandemic, global and national events during the first three months of 2022 have resulted in a transformative quarter unlike any for nearly 80 years. During the nuclear superpower age, the notion of an unprovoked brutal attack and invasion of a sovereign state was the stuff of fiction. “Never again” is a phrase associated with the Holocaust, the genocide of European Jews during World War II. Unfortunately, the phrase is merely two words as history is currently repeating itself in Eastern Europe.

As of the end of Q1 2022, skyrocketing energy and food costs have greatly contributed to the largest surge of U.S. inflation in 40 years. Like many industries, the hotel sector is confronted with supply chain challenges as well as unprecedented rising labor shortages and cost difficulties with no immediate solution. The past two years will be looked back upon as an inflection point influencing economic, political, and social paradigm shifts that will emerge during the remainder of this decade.

With COVID-19 beginning to be perceived as endemic, many are optimistic that pandemic related disruptions throughout the globe will further abate. Gross domestic product (GDP) growth is forecast to moderate in 2022 and thereafter, will continue to increase during the foreseeable future. Strong economic growth should support a full-bodied lodging recovery.

Underscored by the strength of room rates, copious amounts of leisure patronage and rebounding group business, the pace of travel recovery has been robust. Nationally, average room rates have exceeded 2019 levels for the last six months, and most anticipate substantial growth for the balance of this year. Hotel sector profitability, which declined dramatically during 2020, has experienced a significant rebound since Q2 2021 and many believe it will reach 2019 levels by next year. Hotel values, which on average declined 25 percent in 2020, have for the most part returned to pre-pandemic levels.

The LWHA Q1 2022 Major U.S. Hotel Sales Survey includes 128 single asset sale transactions over \$10 million which totaled \$7.9 billion and included approximately 26,000 hotel rooms with an average sale price per room of \$306,000. By comparison the LWHA Q1 2021 Major U.S. Hotel Sales Survey included 31 single asset sale transactions over \$10 million which totaled \$8.1 billion and included approximately 17,000 hotel rooms with an average sale price per room of \$477,000. Net of the Venetian Resort Las Vegas & Sands Expo and Convention Center trade which skews the data, the Q1 2021 statistics equate to 30 trades totaling \$1.85 billion, 9,900 hotel rooms with an average sale price per room of \$187,000.

Comparing Q1 2022 with Q1 2021 (net of the Venetian Resort Las Vegas), the number of trades increased more than fourfold while total dollar volume also grew more than fourfold and sales price per room soared by roughly 65 percent.

By further comparison, the LWHA Q1 2020 Major U.S. Hotel Sales Survey (data reflects hotel sale price statistics prior to any impact of COVID-19 spreading across the U.S.) identified 30 transactions totaling roughly \$1.97 billion including 7,600 hotel rooms with an average sale price per room of \$259,000.

Comparing Q1 2022 with Q1 2020 (net of the Venetian Resort Las Vegas), the number of trades increased more than fourfold while total dollar volume also grew more than fourfold and sales price per room rose by roughly 18 percent.

Noteworthy Q2 2022 observations include:

Twenty-six trades or roughly 20 percent of the national quarter total occurred in the State of Florida, followed by twenty-three trades or 18 percent of the national quarter in California. Combined, forty-nine trades or 38 percent of the national quarter occurred in Florida and California.

Seven trades or roughly 6 percent of the national quarter total occurred in Arizona, all of which were in the Phoenix Metropolitan Area.

Six trades or roughly 5 percent of the national quarter total occurred in Colorado, all of which were in the Denver Metropolitan Area.

Encore Boston Harbor, a 671 key luxury resort and casino located in Everett, Massachusetts sold for \$1.7 billion, or more than \$2.5 million per unit. Realty Income (NYSE:O) structured a sale-leaseback transaction that includes a triple-net lease agreement with an initial total annual rent of \$100.0 million and an initial term of 30 years, with one thirty-year tenant renewal option. Rent under the lease will escalate at 1.75% for the first ten years of the lease and the greater of 1.75% and the CPI increase during the prior year (capped at 2.50%) over the remainder of the lease term.

Nine Q1 2022 sales were consummated for between \$100 million and \$199 million each.

Host Hotels & Resorts, Inc. (NASDAQ: HST) acquired The Alida, Savannah, a 173-room hotel, for approximately \$103 million or \$595,000 per unit.

Stonebridge Cos. sold the 230 room Hyatt Place San Francisco / Downtown to Dynamic City Capital for \$105.9 million or \$460,000 per key.

DiamondRock Hospitality Company (NYSE: DRH) acquired the 170-room Henderson Beach Resort in Destin, FL for \$112.5 million or \$662,000 per unit.

Driftwood Capital purchased from Junson Capital the 326 key Scottsdale Resort at McCormick Ranch in Scottsdale, AZ for \$113 million or approximately \$347,000 per unit.

Tishman Hotel & Realty acquired the 400-room Wyndham Grand Orlando Resort Bonnet Creek for \$120.5 million or \$301,000 per key.

Sunstone Hotel Investors, Inc. (NYSE: SHO) disposed of the 368 key Embassy Suites by Hilton Chicago Downtown Magnificent Mile, and the 361 room Hilton Garden Inn Chicago Downtown/Magnificent Mile for a combined sale price of \$129.5 million, or \$178,000 per key.

The Irvine Company sold the 295 room Fashion Island Hotel in Newport Beach, CA to Eagle Four Partners for \$143.6 million or roughly \$487,000 per key. The hotel, which originally opened in 1986 and operated for twenty years as a Four Seasons affiliate, was shuttered in 2020 due to the pandemic, and will be reopened in 2023 as the Pendry Newport Beach.

JEMB Realty Corporation acquired from K & P Clearwater Estate LLC the 343 room Wyndham Grand Clearwater Beach in Clearwater, FL for \$170 million or \$496,000 per unit.

Century Casinos, Inc. (Nasdaq Capital Market: CNTY) acquired from Marnell Gaming, LLC, the 1,380 room Nugget Casino Resort in Sparks, NV. CNTY acquired 50% of Smooth Bourbon, LLC (“PropCo”) which owns the land and building for \$95 million and entered into a lease with Nugget Sparks, LLC (“OpCo”), for an annual rent of \$15 million. The Company will receive \$1.9 million per quarter (before any expenses pursuant to the lease) for its share of the rent from OpCo. Within one-year CNTY will purchase OpCo for an additional \$100 million and has a five-year option to purchase the remaining 50% of PropCo for \$105 million plus 2% per annum.

Three Q1 2022 sales were consummated for between \$200 million and \$299 million each.

A joint venture between Värde Partners and Hawkins Way Capital acquired the 1,220 room Sheraton Boston Hotel from Host Hotels & Resorts, Inc. (NASDAQ: HST) for \$233 million or \$191,000 per key.

Host Hotels & Resorts, Inc. (NASDAQ: HST) acquired the 319 room Kimpton Hotel Van Zandt in Austin, TX for \$242 million or \$759,000 per unit, a new high water mark for the Austin Metropolitan Area.

Blackstone Group sold to Henderson Park the 715 key 45 acre La Quinta Resort & Club in La Quinta, CA for \$255 million or \$357,000 per unit.

Two Q1 2022 sales were consummated for between \$300 million and \$399 million each.

The newly opened 346 room W Nashville was acquired by Xenia Hotels & Resorts, Inc. for \$328.7 million or \$950,000 per unit, a new high-water mark by far for the Nashville metropolitan area.

MCR purchased the 1,780 key Sheraton New York Times Square Hotel from Host Hotels & Resorts, Inc. for \$356 million or \$200,000 per key.

After two reported failed attempts by Fontainebleau Development to acquire the 1,000 key Diplomat Beach Resort in Hollywood, FL, Trinity Investments acquired the property from Brookfield Properties for \$850 million or \$850,000 per unit.

Institutional investment platforms, many of whom are lodging centric, dominated the Q1 2022 hotel transaction arena.

Examples of buyers include: AWH Partners, Chatham Lodging Trust, Crescent Real Estate Equities, DiamondRock Hospitality Company, Host Hotels & Resorts Inc., Driftwood Capital, Fillmore Capital Partners, Henderson Park, KKR & Co., Kor Real Estate Partners, LCP Group, Magna Hospitality Group, MCR, Mission Hill Hospitality, New Castle Hotels & Resorts, OTO Development, Peachtree Hotel Group, Procaccianti Companies, RLJ Lodging Trust, Stonebridge Companies, Tishman Hotel & Realty, TPG Capital, Trinity Investments, and Xenia Hotels & Resorts, Inc.

Examples of sellers (some of whom were also buyers) include: Alliance Bernstein LP, Blackstone, Brookfield Properties, Canyon Group, Columbia Sussex, Host Hotels & Resorts, Inc., Irvine Company, Junson Capital, Lightstone Group, MCR, Noble Investment Group, Northwood Investors, Peachtree Hotel Group, Procaccianti Companies, RLJ Lodging Trust, Starwood Capital Group, Stonebridge Companies, Sunstone Hotel Investors, Inc., Sydell Group, and Wynn Resorts.

The fundamental trajectory and overall outlook for the U.S. lodging industry appears positive. While leisure destinations continue to benefit from favorable supply/demand dynamics resulting in pricing power, until corporate, group, and international travel fully re-emerge and demand for lodging re-stabilizes creating compression, many urban and suburban hotels will be challenged to benefit from strong room rate increases. Recovery in the hospitality industry is varying depending on segmentation and geography, which should be considered when analyzing national averages. During the near term, net new supply will be tepid as some hotels permanently close and new construction slows due to supply chain issues and rapidly rising material and labor costs all of which will create financial feasibility underwriting challenges.

With compressed return rates for other commercial real estate asset types, investment interest in U.S. hotel assets is anticipated to remain high. Furthermore, as pandemic induced forbearance periods end, and brands re-enforce product improvement requirements, many owners will be motivated to dispose of hotel assets during a rising market.

Daniel H. Lesser is President & CEO of LW Hospitality Advisors LLC.

SELECT MAJOR U.S. HOTEL SALES SURVEY - Q1 2022

Q	PROPERTY	LOCATION		NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q1	Holiday Inn Express & Suites Huntsville – Space Center	Huntsville	AL	98	\$13,900,000	\$141,837	MH Hospitality	Wealth Hospitality Group
Q1	Homewood Suites by Hilton Little Rock Downtown	Little Rock	AR	116	\$16,170,000	\$139,397	M2 Little Rock HW LLC	MacArthur Commons LLC
Q1	Hampton Inn Phoenix-Airport North	Phoenix	AZ	106	\$15,600,000	\$147,170	7353 ECB LLC	Artemis Real Estate Partners
Q1	Motel 6 Phoenix West	Phoenix	AZ	148	\$11,402,000	\$77,041	MK PHX West LLC	G6 Hospitality Property LLC
Q1	Holiday Inn Express Scottsdale North	Scottsdale	AZ	122	\$15,000,000	\$122,951	HCP Gold Dust LLC	Hall Equities Group
Q1	Hyatt Place Scottsdale - North / Hyatt House North Scottsdale	Scottsdale	AZ	229	\$54,500,000	\$237,991	JV KKR & Riller Capital	Gardner Batt
Q1	Scottsdale Resort at McCormick Ranch	Scottsdale	AZ	326	\$113,000,000	\$346,626	Driftwood Capital	Junson Capital
Q1	Suites on Scottsdale ¹	Scottsdale	AZ	114	\$17,500,000	\$153,509	Sterling Real Estate Partners	Woodbridge Hospitality LLC
Q1	The Saguaro Scottsdale	Scottsdale	AZ	194	\$40,000,000	\$206,186	Old Town Hospitality LLC	Sydell Group
Q1	Hampton Inn & Suites Barstow	Barstow	CA	90	\$14,100,000	\$156,667	Global Resorts Inc.	Hospitality Express II LLC
Q1	Blue Lantern Inn	Dana Point	CA	29	\$15,200,000	\$524,138	Ocean Lodging LLC	Odello Family Trust
Q1	Motel 6 El Cajon, CA - San Diego	El Cajon	CA	182	\$17,250,000	\$94,780	JV Vertical Holdings LLC & Axton Holdings LLC	G6 Hospitality Property LLC

1) Buyer intends to convert hotel into market rate apartments.

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Q	PROPERTY	LOCATION		NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q1	Kimpton Goodland	Goleta	CA	158	\$33,000,000	\$208,861	AWH Partners	N/A
Q1	Residence Inn by Marriott Irvine Spectrum	Irvine	CA	112	\$27,050,000	\$241,518	Jasman Hospitality Inc.	Blackstone
Q1	La Quinta Resort & Club	La Quinta	CA	715	\$255,000,000	\$356,643	Henderson Park	Blackstone
Q1	Quality Inn & Suites Irvine Spectrum	Lake Forest	CA	111	\$14,350,000	\$129,279	Turtle Hospitality LLC	Ho Times Inc.
Q1	Residence Inn by Marriott Long Beach	Long Beach	CA	178	\$44,500,000	\$250,000	Koto Estate Co.	PI Properties
Q1	Fashion Island Hotel Newport Beach ²	Newport Beach	CA	295	\$143,600,000	\$486,780	Eagle Four Partners	Irvine Company
Q1	Ingleside Inn	Palm Springs	CA	30	\$13,900,000	\$463,333	Kor Real Estate Partners, LLC	Ingleside Investors SPE LLC
Q1	Courtyard by Marriott Paso Robles	Paso Robles	CA	130	\$32,325,000	\$248,654	Peachtree Hotel Group	Lightstone Group
Q1	American Inn & Suites	Pomona	CA	115	\$13,250,000	\$115,217	PK Pomona LLC	RMDS Hospitality Group Inc.
Q1	Country Inn & Suites by Radisson, San Bernardino (Redlands)	Redlands	CA	79	\$13,300,000	\$168,354	SONORL, LLC	E.K.B.K., Inc.
Q1	Quality Inn Riverside Near UCR And Downtown	Riverside	CA	114	\$13,750,000	\$120,614	JV Parth & Haley Hospitality LLC & Turtle Hospitality, LLC	MPS Financial, Inc.
Q1	Hampton Inn & Suites Roseville ³	Roseville	CA	85	\$16,700,000	\$196,471	County of Placer, CA	Roseville Hospitality, LLC

2) Property which was shuttered during pandemic will reopen in 2023 as the Pendry Newport Beach.

3) Property purchased utilizing Project Homekey funds to utilize facility for homeless housing.

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Q	PROPERTY	LOCATION		NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q1	Best Western Plus Sutter House ⁴	Sacramento	CA	94	\$15,300,000	\$162,766	Sacramento 11th Street LP	Thunderbird Lodge Sacramento LLC
Q1	Radisson Hotel San Diego-Rancho Bernardo ⁵	San Diego	CA	178	\$27,900,000	\$156,742	Rancho Bernardo Senior Housing LP	Kashl Corporation
Q1	Gotham Hotel ⁶	San Francisco	CA	114	\$25,700,000	\$225,439	City and County of San Francisco	N/A
Q1	Hyatt Place San Francisco / Downtown	San Francisco	CA	230	\$105,900,000	\$460,435	Dynamic City Capital	Stonebridge Companies
Q1	Westin San Jose	San Jose	CA	171	\$44,900,000	\$262,573	Khanna Enterprises	Aju Hotels and Resorts
Q1	Franciscan Inn & Suites	Santa Barbara	CA	53	\$21,000,000	\$396,226	109 Bath Street Investors LLC	JV Richard C & Suzanne E Neer Family Trust & Marvin C Johnson Jr 1989 Family Trust
Q1	Bella Vista Inn ⁷	Santa Clara	CA	64	\$14,000,000	\$218,750	County of Santa Clara, CA	N/A
Q1	Home2 Suites by Hilton Victorville	Victorville	CA	105	\$26,350,000	\$250,952	Sri Hospitality LLC	Roberts Group I, LLC
Q1	Denver Airport Marriott at Gateway Park	Aurora	CO	238	\$35,450,000	\$148,950	Stonebridge Companies	RLJ Lodging Trust
Q1	Days Inn & Suites by Wyndham Denver International Airport	Denver	CO	105	\$10,000,000	\$95,238	Pineapple Investment Group, LLC	Stonebridge Companies
Q1	Fairfield Inn & Suites by Marriott Denver Airport at Gateway Park	Denver	CO	161	\$27,600,000	\$171,429	WDW Denver Gateway Hotel I Delaware LLC	Gateway Hospitality LLC

4) Property purchased by County of Santa Clara, CA utilizing Project Homekey funds to utilize facility for homeless housing.

5) Property will be converted to apartments that will serve seniors age 55 and older.

6) Property purchased by City and County of San Francisco to convert into permanent supportive housing for formerly homeless residents.

7) Property purchased by County of Placer, CA utilizing Project Homekey funds to utilize facility for homeless housing.

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Q	PROPERTY	LOCATION		NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q1	Moxy Denver Cherry Creek	Denver	CO	170	\$51,300,000	\$301,765	RLJ Lodging Trust	BMC Investments Co, LLC
Q1	Fairfield Inn & Suites by Marriott Denver Southwest/Lakewood	Lakewood	CO	142	\$19,400,000	\$136,620	Lodging Fund REIT III, Inc.	N/A
Q1	Sheraton Denver West	Lakewood	CO	242	\$16,800,000	\$69,421	Rockies Hospitality, LLC	360 Union Boulevard Holdings LLC
Q2	The Madison Washington DC	Washington	DC	356	\$61,000,000	\$171,348	Crescent Real Estate Equities LLC	Alliance Bernstein LP
Q1	Hampton Inn & Suites Bradenton Downtown Historic District	Bradenton	FL	119	\$26,000,000	\$218,487	NHT Brandenton, LLC	Widewaters Bradenton LLC
Q1	Holiday Inn Express Tampa-Brandon	Brandon	FL	119	\$16,000,000	\$134,454	Brandon Hotel Investment Group LLC	Cinnamon Bay III, LLC
Q1	Monaco Resort Motel	Clearwater	FL	41	\$10,500,000	\$256,098	Monaco Hotel LLC	Taylor Arcade Inc.
Q1	Wyndham Grand Clearwater Beach	Clearwater	FL	343	\$170,000,000	\$495,627	JEMB Pocono LLC	K & P Clearwater Estate LLC
Q1	Henderson Beach Resort & Spa ⁸	Destin	FL	170	\$112,500,000	\$661,765	DiamondRock Hospitality Company	N/A
Q1	AC Hotel by Marriott Fort Lauderdale Beach	Fort Lauderdale	FL	171	\$74,300,000	\$434,503	Dynamic City Capital	JV Key International & Wexford Real Estate Investors
Q1	Best Western Fort Walton Beachfront	Fort Walton Beach	FL	100	\$23,600,000	\$236,000	OTO Development LLC	Ft. Walton Beach Hotel Group Inc.
Q1	Diplomat Beach Resort Hollywood	Hollywood	FL	1000	\$850,000,000	\$850,000	Trinity Investments	Brookfield Properties

8) The acquisition also includes income from 46 luxury residences adjacent to the hotel currently participating in the hotel's rental management program.

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Q1	Fisher Inn Resort & Marina	Islamorada	FL	37	\$15,500,000	\$418,919	TPG Fisher Inn FL, LLC	TWG Overseas, LLC
Q1	Hadley House Resort	Islamorada	FL	37	\$17,000,000	\$459,459	Procaccianti Companies	Songy Highroads, LLC
Q1	Aloft Jacksonville Airport	Jacksonville	FL	136	\$19,500,000	\$143,382	Opterra Capital	Gehr Hospitality
Q1	Grand Orlando Resort at Celebration	Kissimmee	FL	718	\$36,300,000	\$50,557	Tishman Hotel & Realty	CL2 Orlando, LLC
Q1	Fairfield Inn & Suites by Marriott Lake City	Lake City	FL	89	\$10,300,000	\$115,730	Radha Lake City LLC	American Hotel Income Properties REIT LP
Q1	Faro Blanco Resort & Yacht Club	Marathon	FL	125	\$38,750,000	\$310,000	Marathon Two Hospitality Holdings LLC	EOS Investors, LLC
Q1	Tranquility Bay Beachfront Hotel & Resort	Marathon	FL	103	\$63,000,000	\$611,650	DiamondRock Hospitality Company	Northwood Investors
Q1	Element Miami International Airport	Miami	FL	209	\$50,200,000	\$240,191	Palm Holdings	Peachtree Hotel Group
Q1	Sixty Sixty Resort	Miami Beach	FL	82	\$23,500,000	\$286,585	Bloom Ventures	Activate Hospitality
Q1	Hilton Garden Inn Destin Miramar Beach	Miramar Beach	FL	111	\$31,000,000	\$279,279	Chatham Lodging Trust	Intermountain Management
Q1	Inn of Naples	Naples	FL	99	\$15,324,000	\$154,788	Mission Hill Hospitality	MCR
Q1	Best Western Airport Inn & Suites	Orlando	FL	100	\$11,750,000	\$117,500	Hotelar LLC	MJC Orlando LLC

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Q1	Wyndham Grand Orlando Resort Bonnet Creek	Orlando	FL	400	\$120,500,000	\$301,250	Tishman Hotel & Realty	N/A
Q1	Holiday Inn Express & Suites Punta Gorda	Punta Gorda	FL	94	\$10,800,000	\$114,894	N/A	N/A
Q1	Postcard Inn	St Pete Beach	FL	196	\$83,000,000	\$423,469	JV LCP Group, L.P. & Safanad	TPG Hotels & Resorts
Q1	Hampton Inn & Suites Tampa Busch Gardens Area	Tampa	FL	84	\$14,400,000	\$171,429	EV Hospitality Group	N/A
Q1	WoodSpring Suites Tampa Airport North Veterans Expressway	Tampa	FL	122	\$14,000,000	\$114,754	Sandpiper Hospitality	Liberty Investment Properties, Inc.
Q1	Holiday Inn Express & Suites West Melbourne	West Melbourne	FL	100	\$15,250,000	\$152,500	JV BL Interests LLC & Jiten Hotel Management Services, Inc.	Melbourne FL 0716 LLC
Q1	Hilton Garden Inn Atlanta Airport North	Atlanta	GA	174	\$26,200,000	\$150,575	3437 Bobby Brown Hotel, LLC	ATL Hotel Group LLC
Q1	Homewood Suites by Hilton Atlanta/Perimeter Center	Atlanta	GA	114	\$21,925,000	\$192,325	Banyan Lodging Enhanced Value Fund, LLC	Perimeter Atlanta Hotel Group, LLC
Q1	Residence Inn by Marriott Atlanta Buckhead/Lenox Park	Atlanta	GA	150	\$23,750,000	\$158,333	Atlanta Lenox Park Hotel, LLC	Noble Investment Group
Q1	Sheraton Augusta Hotel	Augusta	GA	152	\$10,400,000	\$68,421	N/A	N/A
Q1	Holiday Inn Resort Jekyll Island	Jekyll Island	GA	158	\$41,000,000	\$259,494	New Castle Hotels & Resorts	Georgia Coast Holdings
Q1	The Alida, Savannah	Savannah	GA	173	\$103,000,000	\$595,376	Host Hotels & Resorts Inc.	N/A

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Q1	Maui Seaside Hotel	Kahului	HI	183	\$21,060,000	\$115,082	ASAP International Holdings	MSH Property 2 LLC
Q1	Kona Bay Hotel	Kailua-Kona	HI	122	\$21,000,000	\$172,131	Shapery Enterprises	Kimi Family
Q1	Embassy Suites by Hilton Chicago Downtown & Hilton Garden Inn Chicago Downtown/Magnificent Mile	Chicago	IL	729	\$129,500,000	\$177,641	Magna Hospitality Group	Sunstone Hotel Investors, Inc.
Q1	Hotel Audrey	Chicago	IL	216	\$24,000,000	\$111,111	N/A	Fillmore Capital Partners
Q1	Hyatt Centric Chicago Magnificent Mile	Chicago	IL	419	\$67,500,000	\$161,098	Northwestern Medicine	Sunstone Hotel Investors, Inc.
Q1	Sheraton Louisville Riverside Hotel	Jeffersonville	IN	180	\$11,500,000	\$63,889	N/A	SoTHERLY Hotels Inc.
Q1	The Whitney Hotel	New Orleans	LA	93	\$16,900,000	\$181,720	JV Angevin & Co. & GBX Group	MCC Real Estate Group
Q1	Sheraton Boston Hotel	Boston	MA	1220	\$233,000,000	\$190,984	JV Värde Partners & Hawkins Way Capital	Host Hotels & Resorts, Inc.
Q1	Chatham Wayside Inn	Chatham	MA	56	\$18,000,000	\$321,429	Procaccianti Companies	512 W LLC
Q1	Encore Boston Harbor ⁹	Everett	MA	671	\$1,700,000,000	\$2,533,532	Realty Income	Wynn Resorts
Q1	Marriott Boston Quincy	Quincy	MA	464	\$82,200,000	\$177,155	Paceline Equity Partners, LLC	Columbia Sussex

9) Sale-leaseback transaction includes a triple-net lease agreement with an initial total annual rent of \$100.0 million and an initial term of 30 years, with one thirty-year tenant renewal option. Rent under the lease will escalate at 1.75% for the first ten years of the lease and the greater of 1.75% and the CPI increase during the prior year (capped at 2.50%) over the remainder of the lease term.

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Q1	Kimpton Hotel Monaco Baltimore Inner Harbor	Baltimore	MD	202	\$18,600,000	\$92,079	Douglas Development	Stonehill Strategic Capital
Q1	Holiday Inn Solomons Conference Center & Marina	Solomons	MD	326	\$15,100,000	\$46,319	N/A	N/A
Q1	Residence Inn Waldorf	Waldorf	MD	96	\$12,085,000	\$125,885	Sak Waldorf LLC	Blackstone
Q1	Hampton Inn & Suites Baltimore/Woodlawn	Windsor Mill	MD	92	\$11,325,000	\$123,098	Belmont Hospitality LLC	Assurance Hospitality, LLC
Q1	Hotel Ivy	Minneapolis	MN	136	\$30,750,000	\$226,103	Monarch Alternative Capital	Heartland Realty Investors Inc.
Q1	Holiday Inn Asheville East-Blue Ridge Parkway	Asheville	NC	111	\$15,000,000	\$135,135	JV Woodmont Lodging, Milestone Companies & Blue Vista Capital Management	Asheville East LLC
Q1	TownePlace Suites by Marriott Charlotte Arrowood ¹⁰	Charlotte	NC	94	\$10,500,000	\$111,702	Mecklenburg County, NC	N/A
Q1	Hampton Inn & Suites Fargo Medical Center	Fargo	ND	90	\$11,400,000	\$126,667	Lodging Fund REIT III, Inc.	Agassiz Hospitality LLC
Q1	Holiday Inn Express & Suites Lincoln I - Lincoln 80		NE	99	\$10,000,000	\$101,010	MEEV Lodging, LLC	Eastern Nebraska Hospitality, Inc.
Q1	The Wentworth	Jackson	NH	61	\$11,500,000	\$188,525	Atlantic Equity Partners, LLC	Ellie Koepfel
Q1	Montreal Beach Resort	Cape May	NJ	69	\$23,000,000	\$333,333	Madison Resorts	Hirsch Family
Q1	Hotel Indigo Newark Downtown	Newark	NJ	108	\$12,400,000	\$114,815	Broad St Ventures Urban Renewal LLC	810 Broad St Urban Renewal Company LLC

¹⁰) Property slated to be converted to permanent supportive housing.

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Q1	Artisan Hotel Boutique	Las Vegas	NV 64	\$11,900,000	\$185,938	The Siegel Group	Pro Hospitality Group
Q1	Holiday Inn Express & Suites Mesquite	Mesquite	NV 130	\$11,500,000	\$88,462	Manas MQ, LLC	Kamx Mesquite, LLC
Q1	Nugget Casino Resort ¹¹	Sparks	NV 1380	\$195,000,000	\$141,304	Century Casinos, Inc.	Marnell Gaming, LLC
Q1	Hampton Inn Albany-Wolf Road (Airport)	Albany	NY 153	\$14,100,000	\$92,157	N/A	N/A
Q1	Residence Inn by Marriott Kingston	Kingston	NY 92	\$16,500,000	\$179,348	Mission Hill Hospitality	Starwood Capital Group
Q1	Andaz Wall Street ¹²	New York	NY 253	\$85,000,000	\$335,968	JV Navika Capital Group & Blue Sky Hospitality Solutions Management Company	Hakimian Organization
Q1	Roger Smith Hotel	New York	NY 134	\$41,400,000	\$308,955	Timeshares Only	delima Family
Q1	Sheraton New York Times Square Hotel	New York	NY 1780	\$356,000,000	\$200,000	MCR	Host Hotels & Resorts, Inc.
Q1	The Hotel @ Times Square	New York	NY 213	\$59,500,000	\$279,343	Premier Hotels LLC	Apple Core Hotels
Q1	Hampton Inn & Suites Saratoga Springs Downtown	Saratoga Springs	NY 123	\$17,300,000	\$140,650	DelMonte Hotel Group	Turf Hotels
Q1	Westchester Marriott	Tarrytown	NY 444	\$40,000,000	\$90,090	JV Taconic Capital Advisors & HEI Hotel & Resorts	Ares Commercial Real Estate Corporation

¹¹) Buyer acquired 50% of Smooth Bourbon, LLC ("PropCo") which owns the land and building for \$95 million and entered into a lease with Nugget Sparks, LLC ("OpCo"), for an annual rent of \$15 million. Buyer will receive \$1.9 million per quarter (before any expenses pursuant to the lease) for its share of the rent from OpCo. Within one-year Buyer will purchase OpCo for an additional \$100 million, and also has a five-year option to purchase the remaining 50% of PropCo for \$105 million plus 2% per annum.

¹²) Hotel closed at the time of sale.

SELECT MAJOR U.S. HOTEL SALES SURVEY - Q1 2022

Q	PROPERTY	LOCATION		NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q1	Embassy Suites by Hilton Portland Hillsboro	Hillsboro	OR	165	\$39,150,000	\$237,273	WDW Hillsboro Hotel I Delaware	Hillsboro Hotel I Delaware LLC
Q1	Holiday Inn Hillsboro	Hillsboro	OR	110	\$21,000,000	\$190,909	Hospitality Investors Fund I, LLC	Hillsboro Land Investors, LLC
Q1	Fairfield Inn & Suites by Marriott Hershey Chocolate Avenue	Hershey	PA	108	\$17,600,000	\$162,963	HRI One LLC	Springwood Hospitality
Q1	Home2 Suites by Hilton Lancaster	Lancaster	PA	123	\$16,500,000	\$134,146	Gemini Hotel Group	Springwood Hospitality
Q1	Homewood Suites by Hilton Reading	Reading	PA	119	\$16,867,000	\$141,739	Baywood Hotels	High Hotels, LTD.
Q1	Hampton Inn & Suites Pittsburgh/Waterfront-West Homestead	West Homestead	PA	113	\$16,000,000	\$141,593	N/A	N/A
Q1	W Retreat & Spa - Vieques Island ¹³	Vieques	PR	157	\$18,300,000	\$116,561	Brock Pierce	N/A
Q1	Hotel Bella Grace	Charleston	SC	50	\$27,300,000	\$546,000	TPG Capital	115 Calhoun Hospitality LLC
Q1	Hampton Inn Greenville I-385 - Woodruff Rd.	Greenville	SC	115	\$12,500,000	\$108,696	Babubhai Patel and Hasumati Patel	Wal Lodging, LLC
Q1	LeConte View Motor Lodge	Gatlinburg	TN	104	\$14,050,000	\$135,096	Ephant Group-Wander Hotel LLC	Le Conte View Motel Inc. LLC
Q1	Residence Inn by Marriott Jackson	Jackson	TN	92	\$13,100,000	\$142,391	Ridgeway Investment Management	Wealth Hospitality Group
Q1	Aloft Knoxville West	Knoxville	TN	107	\$13,500,000	\$126,168	Commonwealth Hotels	Turkey Creek Hotel Group LLC

¹³) Hotel closed since 2017 due to the damage caused by Hurricane Maria.

SELECT MAJOR U.S. HOTEL SALES SURVEY - Q1 2022

Q	PROPERTY	LOCATION	NO. OF ROOMS	ESTIMATED SALES PRICE	ESTIMATED PRICE/ROOM	BUYER	SELLER
Q1	avid hotel Nashville - Lebanon	Lebanon	TN	87	\$12,300,000	\$141,379	Shreeji Swami Lebanon, LLC Daughters, LLC
Q1	W Nashville	Nashville	TN	346	\$328,700,000	\$950,000	Xenia Hotels & Resorts, Inc. Twelfth Avenue Realty Holdings
Q1	Carpenter Hotel	Austin	TX	93	\$17,100,000	\$183,871	Timberline Real Estate Partners CTO Realty Growth, Inc.
Q1	Kimpton Hotel Van Zandt	Austin	TX	319	\$242,000,000	\$758,621	Host Hotels & Resorts, Inc. N/A
Q1	Sonesta Suites Dallas Park Central ¹⁴	Dallas	TX	295	\$19,000,000	\$64,407	Omni Vision Dallas LLC Service Properties Trust
Q1	Courtyard by Marriott El Paso Airport	El Paso	TX	90	\$15,200,000	\$168,889	Lodging Fund REIT III, Inc. N/A
Q1	Hilton Houston Galleria Area	Houston	TX	292	\$14,000,000	\$47,945	N/A Eagle Hospitality Trust
Q1	Holiday Inn Express & Suites Auburn Downtown	Auburn	WA	120	\$23,510,000	\$195,917	JOAJOA Inc. JV LC & L Daebak Inc. & Palma Investment Co. LLC
Q1	La Quinta Inn & Suites by Wyndham Seattle Bellevue/Kirkland ¹⁵	Kirkland	WA	121	\$28,700,000	\$237,190	King County, Washington CorePoint Lodging Inc.
Q1	Kings Inn ¹⁶	Seattle	WA	68	\$12,500,000	\$183,824	Holly Holdings LLC Kang Family
Q1	Amangani	Jackson	WY	40	\$80,000,000	\$2,000,000	N/A Canyon Group

14) Property purchased by multifamily developer.

15) Property purchased for conversion to permanent supportive housing for homeless.

16) Property operated as a homeless shelter during recent pandemic.