

Property Information:

Acquisition Price:	\$108.0M
Acquisition Date:	December 1, 2021
Location:	La Jolla, CA
Rooms:	210
Type:	Upper-Upscale, Full-Service Resort
Opened / Renovated:	2004 / 2012

2021 Forecasted Performance and Valuation:

ADR:	\$260 - \$264
Total RevPAR:	\$308 - \$313
Hotel EBITDA/Key ⁽¹⁾ :	~\$22K
Cap Rate (Forecasted NOI) ⁽²⁾ :	~3.0%

(1) Based on previously disclosed earnings before interest, taxes, depreciation and amortization ("EBITDA")
(2) Based on previously disclosed forecasted net operating income after capital reserves ("NOI")

Property Highlights:

- 210-room resort sprawling across 10 acres that is located in the heart of the affluent coastal La Jolla market; the property is a short walk from Black's Beach, adjacent to the world-renowned Salk Institute for Biological Studies and directly across the street from the University of California, San Diego
- Numerous indoor and outdoor dining venues, including Mustangs & Burros, Greenfinch Restaurant & Bar, Haven Bar & Grill, Blend Café and Secret Garden, which serve an array of authentic West Coast cuisine
- Over 50,000 square feet of indoor and outdoor event space, surrounded by charming courtyards, verdant gardens and elegant accommodations
- Spa Estancia is a 7,000-square-foot sanctuary with 11 indoor and outdoor treatment rooms, a eucalyptus steam room and an outdoor saltwater pool



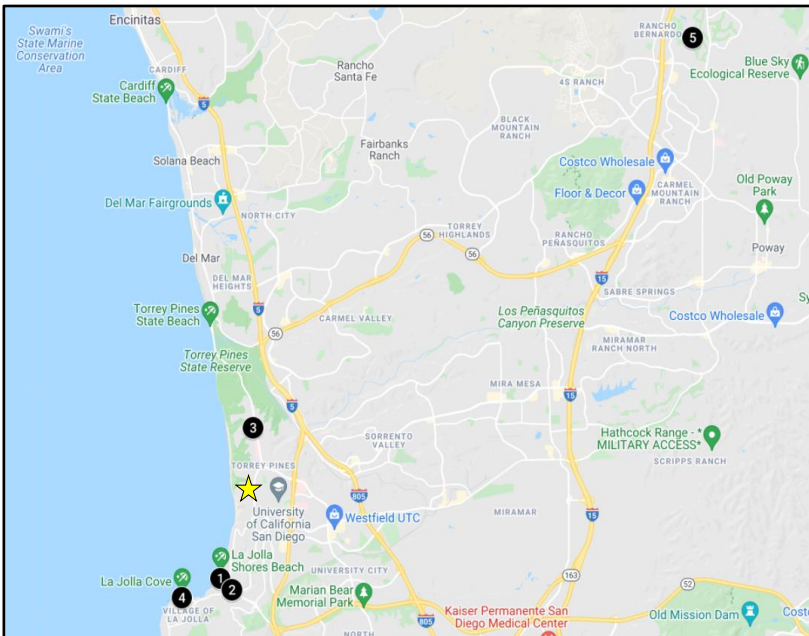
Market Highlights:

Market Overview:

- Proven history of strong recovery from market downturns with a RevPAR compound annual growth (CAGR) of 8.0% from 2003 to 2007 and a RevPAR CAGR of 6.0% from 2009 to 2019; supply CAGR of 0.2% from 2010 to 2019
- Strong, consistent demand base provided by leisure, group and corporate transient guests and an incredibly diverse employment base with notable concentrations in education, biotech, pharmaceutical and tech industries
- The resort is a quick, 20-minute drive from the San Diego International Airport, and the broader market is home to nearly 19 million square feet of corporate office and lab space

Competitive Set:

Hotels	Map Marker	Rooms	Year Opened
Estancia La Jolla Hotel & Spa	★	210	2004
La Jolla Shores Hotel	1	128	1970
Hotel La Jolla, Curio Collection by Hilton	2	110	1972
The Lodge at Torrey Pines	3	170	1986
La Valencia Hotel	4	115	1926
Rancho Bernardo Inn	5	<u>287</u>	1962
Total Comp Set (excluding Estancia La Jolla)		810	

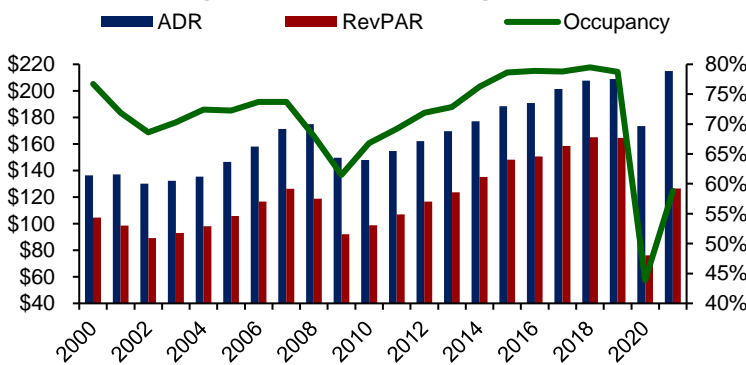


Demand Generators:

- Close proximity to the Pacific Ocean and Black's Beach
- Tourism and entertainment:
 - Balboa Park
 - Encinitas Tide Pools
 - Gaslamp Quarter
 - La Jolla Cove
 - LEGOLAND
 - Petco Park
 - San Diego Botanic Garden
 - San Diego Zoo
 - Scripps
 - SeaWorld San Diego
 - Torrey Pines
- Adjacent to the world-renowned Salk Institute for Biological Studies and the University of California, San Diego



San Diego/La Jolla, CA Operating Performance



Source: Smith Travel Research
Note: 2021 reflects September YTD data

Investment Highlights:

Strengths:

- Attractive drive-to destination
- Located near San Diego's top beaches and leisure attractions
- Varied and distinctive amenities, accommodations and experiences
- Unique hacienda-style architecture
- Over 50,000 square feet of indoor and outdoor event space
- High barrier-to-entry market with limited supply

Opportunities:

- ROI and value enhancement opportunities (including renovations to the guestrooms, lobby, spa and pool areas, etc.)
- Operating, complexing and marketing synergies with L'Auberge Del Mar and San Diego Mission Bay Resort
- Strong future earnings growth from RevPAR recovery and margin expansion
- Improved cash flow through Pebblebrook asset management and Curator savings

This summary information sheet contains certain "forward-looking statements" relating to, among other things, ADR, Total RevPAR, hotel EBITDA and hotel net operating income after capital reserves. The forward-looking statements made are based on our beliefs, assumptions and expectations of future performance, taking into account all information currently available to us. Actual results could differ materially from the forward-looking statements made on this summary information sheet. When we use the words "projected," "expected," "planned" and "estimated" or other similar expressions, we are identifying forward-looking statements. The forward-looking statements on this summary information sheet are subject to the safe harbor of the Private Securities Litigation Reform Act of 1995. All information on this sheet is as of December 1, 2021. We undertake no duty to update the information to conform to actual results or changes in our expectations. For additional information, please visit our website at www.pebblebrookhotels.com.