

**Property Information:**

Acquisition Price:	\$156.0M
Acquisition Date:	May 11, 2022
Location:	Naples, FL
Rooms:	119
Type:	Luxury, Independent, Lifestyle Resort
Opened / Renovated:	1998 / 2020

**March 2022 TTM Performance and Valuation:**

ADR:	\$598
Total RevPAR:	\$508
Hotel EBITDA/Key <sup>(1)</sup> :	\$106K
Cap Rate (March 2022 TTM NOI) <sup>(2)</sup> :	7.5%

(1) Based on previously disclosed earnings before interest, taxes, depreciation and amortization ("EBITDA")  
 (2) Based on the Company's March 2022 TTM Hotel EBITDA, less a 4% capital reserve, resulting in net operating income after capital reserves ("NOI")



**Property Highlights:**

- 119-room luxury boutique resort located in the heart of Old Naples, featuring 43 spacious suites, a 3,600 SF outdoor pool deck, a day spa, a fitness center, and a club level building with a private lounge, rooftop and jacuzzi
- 21,000 SF of Naples' most highly coveted ground-level retail spaces featuring two of Naples' most revered dining options: Truluck's and Ocean Prime, in addition to multiple upscale retail shops; estimated retail space value of \$25-\$30 million
- Over 10,000 SF of newly renovated flexible indoor/outdoor meeting space
- Newly appointed Pool Bar & Courtyard offers guests all-day wine and cocktail service

**Market Highlights:**

**Market Overview:**

- Wide range of strong demand drivers including dozens of leisure and tourist destinations, cultural attractions, beaches and high-end retail shopping centers and dining
- Proven history of strong recovery from market downturns with a RevPAR compound annual growth (CAGR) of 8.6% from 2003 to 2007 and a RevPAR CAGR of 5.8% from 2009 to 2019; supply CAGR of 0.3% from 2010 to 2019
- Ideally situated on Florida's southwest coastline, the Naples, Marco Island and the Everglades areas have become top choices for visitors in search of adventurous and cultural experiences
- Home to more Fortune 500 CEOs than any other community in the country

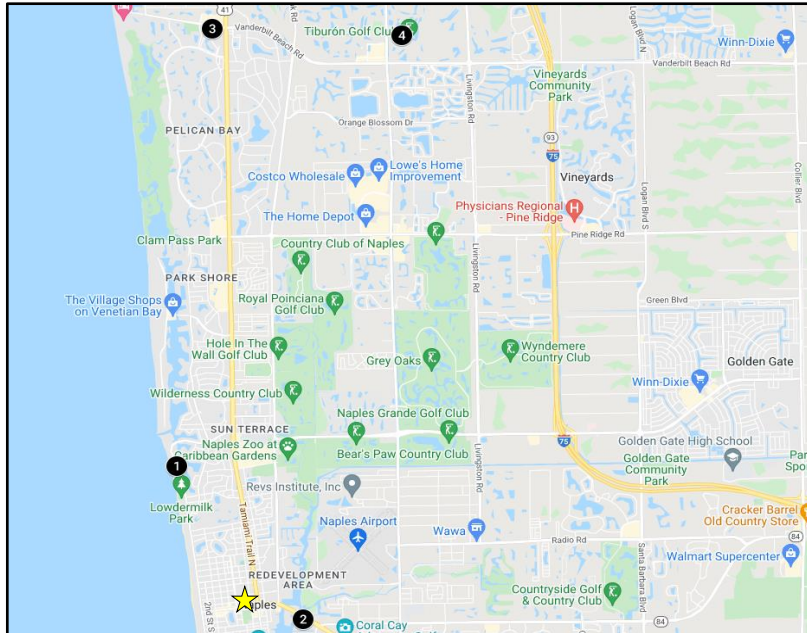


**Demand Generators:**

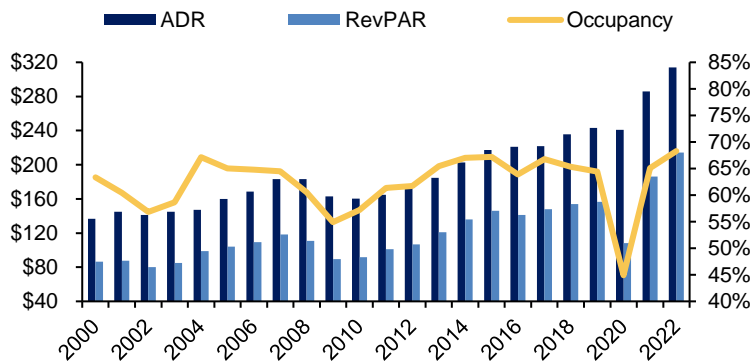
- Five blocks from Fifth Avenue Beach
- Tourism and entertainment:
  - Naples Player Theatre
  - Naples Bay
  - The Botanical Gardens
  - Naples Zoo
  - Florida Everglades
  - Naples Greenway
  - Art Museum & Cambier Park
  - Paradise Coast Sports Complex
- New developments in Naples are limited by significant barriers to entry
- Many of the demand generators are within walking distance of the hotel
- Located at the heart of Fifth Avenue – the epicenter of culture, arts, leisure and dining in Naples

**Competitive Set:**

Hotels	Map Marker	Rooms	Year Opened
<b>Inn on Fifth</b>	★	<b>119</b>	<b>1998</b>
Edgewater Beach Hotel	1	125	1985
Naples Bay Resort	2	85	2007
Inn at Pelican Bay	3	99	1994
Ritz-Carlton Golf Resort Naples	4	295	2002
<b>Total Comp Set (excluding Inn on Fifth)</b>		<b>604</b>	



**Naples, FL Operating Performance**



Source: Smith Travel Research  
 Note: 2022 reflects Mar TTM data

**Investment Highlights:**

**Strengths:**

- Attractive drive-to destination in a growing destination market
- A+ location in the heart of downtown Naples with premier access to dining and shopping
- Resort in excellent physical condition
- High barrier-to-entry market with limited supply

**Opportunities:**

- Operating, complexing and cross-selling synergies with LaPlaya Beach Resort & Club
- Potential development opportunities with nearby land parcel or pool deck expansion
- Upgrades to pool area and cabanas including pool bar and F&B reconcepting
- Improved cash flow through Pebblebrook asset management and Curator savings