

Property Information:

Acquisition Price:	\$174.0M
Acquisition Date:	June 23, 2022
Location:	Newport, RI
Rooms:	257
Type:	Upper-Upscale, Full-Service Resort
Opened / Renovated:	1969 / 2017

May 2022 TTM Performance and Valuation:

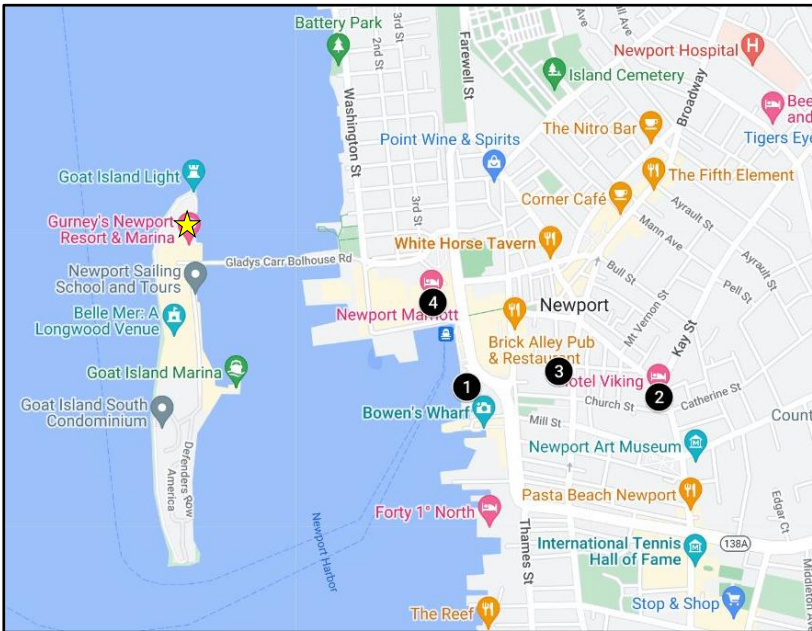
ADR:	\$457
Total RevPAR:	\$401
Hotel EBITDA/Key⁽¹⁾:	\$53K
Cap Rate (May 2022 TTM NOI)⁽²⁾:	7.0%

(1) Based on previously disclosed earnings before interest, taxes, depreciation and amortization ("EBITDA")
 (2) Based on May 2022 TTM Hotel EBITDA, less a 4% capital reserve, resulting in hotel net operating income



Competitive Set:

Hotels	Map Marker	Rooms	Year Opened
Gurney's Newport Resort & Marina	★	257	1969
The Newport Harbor Hotel and Marina	1	133	1969
Hotel Viking	2	208	1927
The Vanderbilt	3	33	1997
Newport Marriott	4	<u>320</u>	1988
Total Comp Set (excluding Gurney's Newport)		694	



Investment Highlights:

Strengths:	Opportunities:
<ul style="list-style-type: none"> Attractive waterside drive-to resort in the best location in Newport Desirable, experiential prop. for leisure transient guests and corp/leisure groups Over 80,000 square feet of indoor and outdoor event space High barrier-to-entry market with limited future supply growth Located in one of the top 10 wedding destinations in the world 	<ul style="list-style-type: none"> ROI opportunities via enhancing the guestrooms, pool area, spa, meeting and pavilion spaces, lobby and arrival experience and landscaping Right to purchase the marina (22 slips) in 2027 Improved lobby activation Improved cash flow through Pebblebrook asset management and Curator savings

Property Highlights:

- 257-room waterside oasis on Goat Island that boasts unobstructed views of Narragansett Bay, Newport Harbor and the iconic Newport Bridge, creating the quintessential coastal New England setting
- Wide variety of waterside eateries including Showfish Newport and The Pineapple Club, which feature ingredient-driven menus with healthy bites, locally sourced dishes and seasonal classics
- Over 80,000 square feet of indoor and outdoor event space, surrounded by expansive lawns, sweeping water views and a historic lighthouse
- Seawater Spa is a 3,000-square foot sanctuary that offers guests the opportunity to relax and rejuvenate via massages, body treatments and facials with floor-to-ceiling views of the surrounding sea

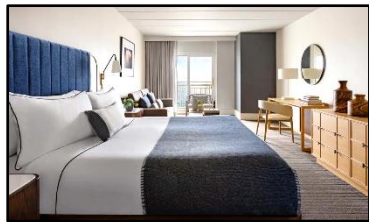
Market Highlights:

Market Overview:

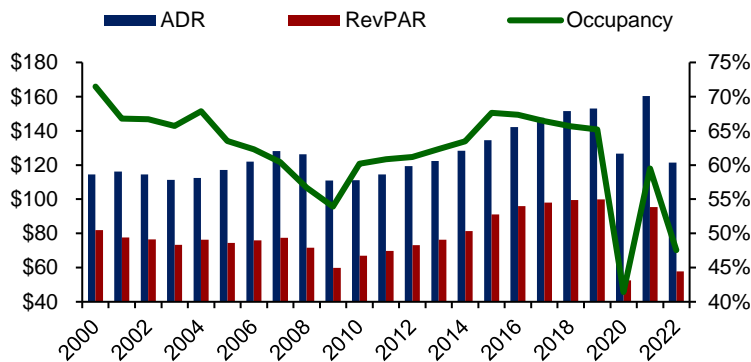
- The resort is located on Goat Island in downtown Newport
- Known as "America's First Resort" and the "Sailing Capital of the World," Newport is considered the crown jewel of coastal New England and is built on a long history of strong travel and tourism
- Newport has a unique combination of qualities that attracts millions from all over the world each year; the city has authentic historic sites, fine art and architecture, the International Tennis Hall of Fame, yachting, sailing, fishing, golfing, beaches, internationally acclaimed events such as the Newport Folk Festival, spectacular wedding venues and a charming waterside location

Demand Generators:

- Adjacent to Narragansett Bay and Newport Harbor
- Tourism and entertainment:
 - Cliff Walk
 - Food tours
 - Harbor cruises
 - Herreshoff Marine Museum
 - Hiking trails
 - International Tennis Hall of Fame
 - Museum of American Illustration
 - Naval War College Museum
 - Newport Mansions
 - Ocean Drive
 - Trolley tours
- Just a 1.5-hour drive from downtown Boston, a 3.5-hour drive from NYC and 30 minutes from Providence Airport



Rhode Island Operating Performance



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