



FROM FORECLOSURE TO THE FOREFRONT OF THE
ENTIRE LAQUINTA HOTEL SYSTEM

Overview

- We undertook this project in 2011
- Negotiated the purchase of a bank note on a 118 room Clarion hotel with an attached leased restaurant
- Acquired the outstanding balance of the \$8.3 mm note for \$3.0 mm and foreclosed on the asset
- Redeveloped and repositioned the hotel into an upscale, limited service hotel with an attached, banquet facility called the Falls Event Center
- The renovation included relocating the lobby and entrance to the hotel to the north side of the building and reducing the room total to 109 rooms

Operating Results

- Prior to the redevelopment, the hotel was operating at 18% occupancy with a \$55 ADR
- Post renovation, upon stabilization, the hotel exceeded 100% market share and is currently one of the top 5 hotels in the entire LaQuinta system of over 900 properties
- Between the NOI developed directly at the Conference Center and the projected incremental NOI generated at the Hotel from the Conference business, we project to add an additional 30% of NOI to this investment over the next five years
- Increased NOI 4.0 times from acquisition through stabilization

Stabilized Operating Results

- 105% RevPar Index

Operating Results Pre-Acquisition

- 18% occupancy





FRONT DESK BEFORE



FRONT DESK AFTER



LOBBY BEFORE



LOBBY AFTER



BREAKFAST BAR BEFORE



BREAKFAST BAR AFTER