



COURTYARD
BY MARRIOTT

FAIRFIELD
INN & SUITES[®]
Marriott

**Executive
Summary**

**NASHVILLE OPRYLAND
MARRIOTT PORTFOLIO**

FAIRFIELD INN & SUITES NASHVILLE AT OPRYLAND



COURTYARD NASHVILLE AT OPRYLAND

PRESENTED BY

 **THE PLASENCIA GROUP**
Passion. Access. Certainty.



THE PLASENCIA GROUP has been retained as exclusive agent to present the 94-key Courtyard Nashville at Opryland (the “Courtyard”) and the 109-key Fairfield Inn & Suites Nashville at Opryland (the “Fairfield Inn & Suites”), for your investment consideration. With record-breaking employment, population, and visitation growth, the dynamic Nashville market continues to demonstrate an unparalleled depth and allure. The hotels are uniquely located within one of Nashville’s steadiest and most insulated demand generators: the Opryland district, home to a wide slate of demand generators including the Gaylord Opryland Resort and Convention Center (ranked first on CVENT’s “Top 100 United States Meeting Hotels 2018” list) and the famed Grand Ole Opry country music venue, which was recently featured on Time Magazine’s list of “25 U.S. Attractions Everyone Should Visit in Their Lifetime.” The properties have been the beneficiaries of nearly \$5.7 million in capital expenditures (\$28,000 per key across the portfolio) and are in pristine condition. The hotels, linked to Marriott’s unmatched distribution platform, are excellent performers with a strong track record of profitability.

The Courtyard and Fairfield Inn & Suites offering represents the unique opportunity to participate in Nashville’s historic expansion by investing in a pair of fully renovated, well positioned, synergistic hotels in a thriving, easily accessed, and captive-demand submarket.



Investment Summary	Courtyard Nashville at Opryland	Fairfield Inn & Suites Nashville at Opryland
Address	125 Music City Circle, Nashville, TN 37214	211 Music City Circle, Nashville, TN 37214
Year Opened / Renovated	1997 / 2016	1996 / 2017
Guestrooms	94	109
Building Area & Parcel Size	52,522 Square Feet / 1.74 Acres	50,800 Square Feet / 2.28 Acres
Building Height	Four Stories	Three Stories
Brand Family	Marriott International	Marriott International
Management	LinGate Hospitality (unencumbered)	LinGate Hospitality (unencumbered)
Food & Beverage	The Bistro	Complimentary Breakfast
Parking	106 Complimentary Spaces	111 Complimentary Spaces
Property Amenities	Fitness Center, Indoor Pool, Outdoor Patio, Business Center, Coin Laundry, Sundry Shop	Fitness Center, Indoor Pool, Patio, Business Center, Coin Laundry, Sundry Shop
Additional Considerations	Fee Simple, Non-Union, Concrete Construction	Fee Simple, Non-Union, Concrete Construction

Nashville's Thriving Opryland District



Nashville International Airport

Bass Pro Shops Opry Mills Shopping Mall

Grand Ole Opry

General Jackson Showboat

Madame Tussauds Nashville

Regal Cinemas

Willie Nelson & Friends Museum

Downtown Nashville

155
Tennessee

Gaylord Opryland Resort & Convention Center

SoundWaves Water Park (Under Construction)

Dukes of Hazzard Museum

Cumberland River

COURTYARD
BY MARRIOTT



Opry Mills Featured Retail Stores

ANN TAYLOR
FACTORY STORE



BROOKS BROTHERS
FACTORY STORE

Calvin Klein



EXPRESS
FACTORY STORE

GYMBOREE
OUTLET

J.CREW
FACTORY

new balance
FACTORY STORE



MICHAEL KORS
OUTLET

POLO RALPH LAUREN
FACTORY STORE



SWAROVSKI

Tommy Bahama
OUTLET



FAIRFIELD
INN & SUITES[®]
Marriott





GRAND OLE OPRY



GENERAL JACKSON SHOWBOAT



OPRY MILLS SHOPPING MALL

OPRYLAND'S CAPTIVE DEMAND

The Courtyard and Fairfield Inn & Suites are uniquely situated within one of Nashville's steadiest and most insulated demand generators: the Opryland district. Located on a landmass surrounded on three sides by the scenic Cumberland River, the submarket is home to the Gaylord Opryland Resort & Convention Center, the Grand Ole Opry, Simon Property Group's Bass-Pro-Shops-anchored Opry Mills Mall, Madame Tussauds Nashville (opened in 2017), the General Jackson Showboat, and the Gaylord Springs Golf Links. The local lodging submarket, just ten minutes from Nashville International Airport and fifteen minutes from downtown Nashville, has thrived amidst muted hotel supply growth in recent years.

The Gaylord Opryland Resort Convention Center was recently renovated and boasts over 700,000 square feet of meeting space, including the 260,000-square-foot Ryman Hall, the largest non-gaming hotel exhibit space in the world. Event management powerhouse CVENT recently ranked the Gaylord Opryland as the single top asset on their 2018 list of the top 100 U.S. meeting hotels. An affiliated, \$90-million water park dubbed SoundWaves at Gaylord Opryland is currently under construction at the north end of the resort. Adjacent to the Opryland Resort, one of America's most storied music halls, The Grand Ole Opry, is enjoying its own \$12 million renovation and expansion. The live music and radio recording venue is synonymous with the country music genre and registers as an undisputed "must-see" attraction in Nashville. Attendance at the venue reached 650,000 in 2016, up 150,000 from 2012, while formal tour participation rose by 100,000 over the same timeframe. The Courtyard and Fairfield Inn & Suites stand to benefit from the ongoing enhancements and expansions at the surrounding Opryland demand generators.



Opry Mills Shopping Mall

General Jackson Showboat

Downtown Nashville

Grand Ole Opry

Madame Tussauds Nashville

Regal Cinemas Stadium 20 IMAX

Gaylord Opryland Resort & Convention Center

Cumberland River

SoundWaves Water Park (Under Construction)

Located less than one mile from the Courtyard and Fairfield Inn & Suites, the Gaylord Opryland Resort Convention Center boasts over 700,000 square feet of meeting space, including the 260,000-square-foot Ryman Hall, the largest non-gaming hotel exhibit space in the world.





NASHVILLE'S UNPRECEDENTED GROWTH

Nashville is a one-of-a-kind destination that has an unparalleled popularity among visitors, residents, and businesses. The state capital welcomed 14.5 million visitors in 2017, a record high for the area, and up from 8.5 million in 2008. The city has recently been named among the “Best Places to Go” and the “Best Big Cities” by Conde Nast, and was recently ranked third on TripAdvisor’s list of “Top U.S.A. Cities to Visit” and eighth on *National Geographic’s* worldwide “Cool List” (top in the U.S.). Known as the “Music City” for its deep roots in the music and entertainment industries, Nashville is home to iconic music venues including the Grand Ole Opry and the Ryman Auditorium, along with dozens of bars and smaller venues that offer live music. Its famed Music Row remains the epicenter of the global country music industry, with virtually every major music studio having a presence in the district. Nashville benefits from the lively Broadway strip of bars and restaurants; an increasingly lauded foodie scene; eclectic neighborhoods; successful NFL and NHL franchises; and numerous cultural attractions, making it one of the most popular tourist destinations in the world. The area’s central location makes it exceedingly accessible from anywhere in the eastern half of the U.S., and its top feeder cities for visitors are Chicago, Atlanta, and New York City. In conjunction with its ongoing tourism boom,

the Nashville area ranks in the top ten in population growth among major metropolitan areas nationally since 2010, and its population, famed for growing by 100 people each day, is nearing two million.

Anchored by a strong healthcare-centric economy, business-friendly climate, and state government, Nashville is an economic powerhouse, with the highest job growth of any metropolitan area with more than one million residents and a record-low unemployment rate of 2.7% as of March 2018 (compared to 4.1% nationally). Six Fortune 500 companies have headquarters in Nashville, and several major international corporations, including Nissan and Bridgestone, have major presences in the area. Financial services giant AllianceBernstein recently announced plans to relocate its headquarters and more than 1,000 employees from New York City to Nashville. Population and job growth led PwC and the Urban Land Institute to rank Nashville as the second strongest real estate market in the South in their 2018 “Emerging Trends in Real Estate” report. All of Nashville’s growth benefits from its exceptional access – the city sits at the intersection of three major interstates and has a world-class airport currently in the midst of a transformative \$1.2 billion redevelopment and expansion.





#4 Best Summer Vacation in the U.S.A.

NASHVILLE, TENNESSEE



30 Most Exciting Food Cities 2017

NASHVILLE, TENNESSEE



The South's Best Cities

NASHVILLE, TENNESSEE



Best Places to Travel in 2018

NASHVILLE, TENNESSEE



30 Top Cities to Visit in 2018

NASHVILLE, TENNESSEE



#1 U.S. Meeting Hotel

GAYLORD OPRYLAND RESORT
& CONVENTION CENTER



33 Trips Everyone Should Take in the U.S. in 2018

NASHVILLE, TENNESSEE



The Cool List

NASHVILLE, TENNESSEE



America's Favorite Cities for Food

NASHVILLE, TENNESSEE



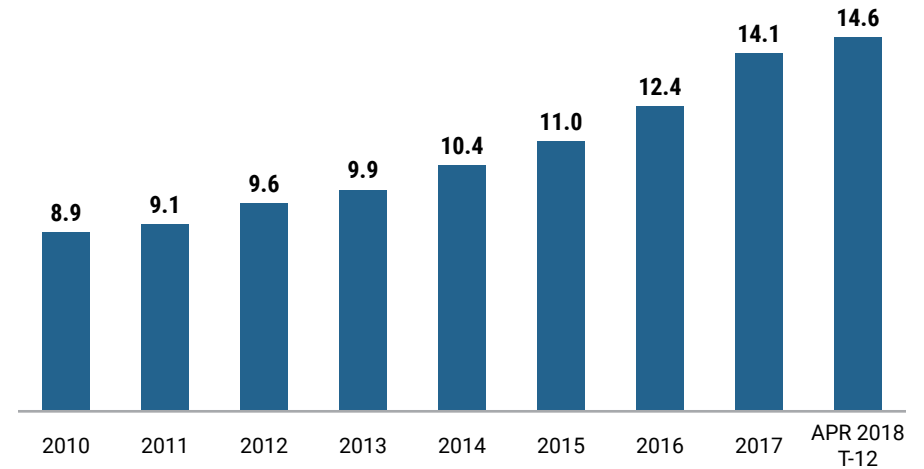
SUPERIOR ACCESS

The Courtyard and Fairfield Inn & Suites are conveniently accessed from the Briley Parkway/Highway 155, approximately six miles to the northeast of Downtown Nashville. The Briley Parkway encompasses the entire Nashville metro area, and intersects several major, national arterial highways, including Interstates I-24, I-40, and I-65, which connect the market to the rest of the country. The centrally located market is a day’s drive from the United States’ East Coast and Midwestern population centers, and Nashville’s music and leisure demand generators make it a prime stop on road-trip itineraries. The hotels’ locations in the Opryland submarket make them particularly appealing to retirees and families visiting the Grand Ole Opry who are disinclined to commit to the hustle and bustle of a stay in Nashville’s frenetic downtown.

The hotels are ideally located approximately ten minutes to the north of Nashville International Airport (“BNA”), on the eastern side of Nashville. BNA has been recognized as one of the fastest growing airports in the United States and has enjoyed five straight record setting years in terms of passenger traffic, eclipsing 14.1 million passengers in 2017. In January 2017, the airport embarked upon an aggressive, billion-dollar growth initiative, which includes expanded concourses, additional screening areas, a state-of-the-art international arrivals facility, and a transit station. BNA is currently served by 14 airlines and offers 450 flights daily, providing nonstop air service to more than 50 destinations, including markets in Canada, Mexico, and the Caribbean. British Airways began nonstop service to London in May 2018, providing direct access to European markets enamored with country music and Nashville’s genuine version of southern hospitality

Nashville International Airport – Passenger Traffic

Passengers in millions



STANDARD KING SUITE
FAIRFIELD INN & SUITES



STRONG CURRENT AND HISTORICAL CASH FLOW

Since emerging from their comprehensive renovations in 2016 and 2017, respectively, the Courtyard and Fairfield Inn & Suites have experienced exceptional growth in revenues, overall efficiency, and their bottom lines. During the trailing-twelve-month period ended April 2018, the Courtyard boasted a RevPAR in excess of \$116 and a net operating income (“NOI”) margin of 40%, while the Fairfield Inn & Suites achieved a RevPAR of over \$100 and an NOI margin of 41%. Moreover, the Courtyard and the Fairfield Inn & Suites are poised to benefit from ongoing market growth, a relatively limited local competitive supply pipeline, and the hotels’ recent renovations. The properties boast a combined April 2018 trailing-twelve-month NOI in excess of \$3.3 million.

FRESHLY RENOVATED ASSETS

Both hotels have benefitted from the strong stewardship of their institutional owner. Fully renovated in 2016, the Courtyard has been the beneficiary of \$3.6 million (\$38,000/key) in capital expenditures under current ownership, and the Fairfield Inn & Suites has received nearly \$2.1 million (approximately \$19,000/key) in capital. Accordingly, the scope of the change of ownership PIPs will be nominal, allowing a new owner to avoid the disruption of renovations and immediately capitalize on its investment. Post-renovation, both properties have experienced significant growth in RevPAR, driven primarily by increases in ADR, as well as improved efficiency at their bottom lines. The properties vie for the top position in their competitive marketplace surrounding the Gaylord Opryland Convention Center.



DOUBLE QUEEN GUESTROOM
FAIRFIELD INN & SUITES



DOUBLE QUEEN GUESTROOM
COURTYARD



BREAKFAST AREA
FAIRFIELD INN & SUITES



LOBBY SEATING & RECEPTION
FAIRFIELD INN & SUITES

THE POWER OF MARRIOTT

The Courtyard and Fairfield Inn & Suites brands are powerhouses associated with the iconic Marriott moniker and the brand's renowned rewards and distribution system. The combination of brands is ideally suited for the hotels' location proximate to the Gaylord convention complex and such a diverse mix of leisure attractions. The Marriott system is the largest in the world and includes more than 6,200 properties and nearly 1.2 million rooms in over 125 countries. Fresh off their recent renovations, the hotels boast the most updated Marriott-branded accommodations in the market. The properties also enjoy synergies with the Gaylord Resort, which is a Marriott-linked complex.

MANAGEMENT AVAILABILITY

The Courtyard and the Fairfield Inn & Suites are offered free and clear of their current management agreements, providing the ability to immediately and directly control operations. Given the properties' proximity to each other, the implementation of a complexing program should not only further reduce operating expenses, but should also provide accretive synergies to the hotels' top lines.

FURTHER UPSIDE POTENTIAL

Notwithstanding the hotels' current performance and condition, areas of operational upside remain at the properties. While the two hotels currently share a sales and marketing platform, further complexing of executive and engineering positions could materially reduce costs. The hotels continue to ramp up from their recent renovations and are now fully primed to capitalize on the region's strong demand and robust population growth. Both properties will also benefit from the opening of the Gaylord's \$90-million SoundWaves water park, the ongoing overhaul of both the Nashville International Airport and Grand Ole Opry, and the overall continuing rapid expansion and emergence of Nashville as an international destination.





**LOBBY & RECEPTION
COURTYARD**

CONTACT INFORMATION

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