



Kingston Plantation Resorts

REPOSITIONING & DISPOSITION

Case Study

OVERVIEW

CLIENT: RLJ LODGING TRUST

Engagement by RLJ included ongoing repositioning of the asset to compete against regional resorts outside of the local market in preparation to position the asset for a sale. Successfully sold the property for RLJ to EOS Investors. Kingston Plantation is a gated oceanfront resort located on 145 acres offering hotels, independently owned condos, and villas.

ENGAGEMENT HIGHLIGHTS

- Strategic analysis of major regional resorts **concluded that the addition of a Spa and state-of-the art fitness center was critical to achieve the higher end groups**
- **Cultivated strategic relationships** with local golf courses and the need to own a course was discarded due to feasibility and abundance of courses in Myrtle Beach; longterm lease of a local course was allowed to expire in lieu of numerous relationships offering variety for guest play
- **Two existing hotel operations were combined under one managing director** upon the purchase of the Hilton
- The combination of all aspects, including marketing, sales, housekeeping, engineering, and finance, greatly reduced overheads
- Creation of three condo towers allowed for **inclusion of the condo rental operation under same managing director reducing overheads from 7.6% to 6.4% in 2014**
- **Revenues soared year over year** from \$66M in 2014 to \$73M trailing 12 months (TTM) 2018
- Resort **reduced laundry cost from \$.43 per pound to \$.19 per pound** with return on total investment in less than 2 years



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CASE STUDY