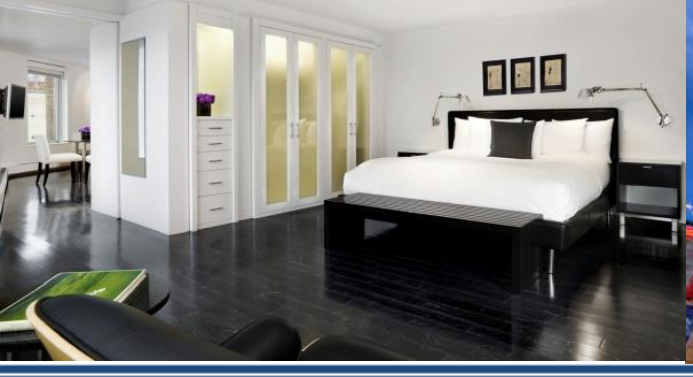









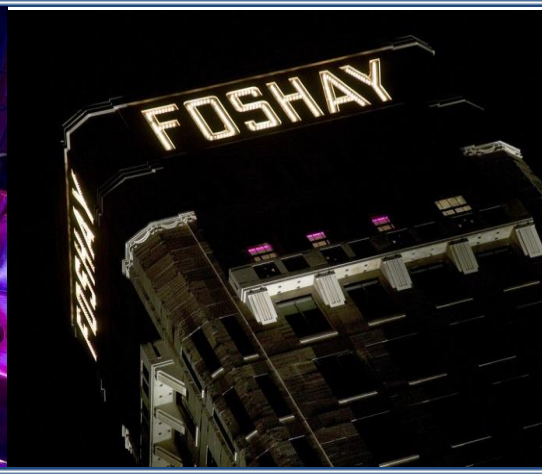

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W Minneapolis The Foshay & Le Meridien Chambers

Topics

- Minneapolis Market Overview
- Competitive Advantages
- Complex Executive Committee
- Competitive Set Overview
- Property Renovation Overview
- Revenue Opportunities



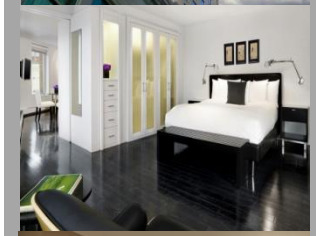
Minneapolis Market Overview



Minneapolis Market Overview

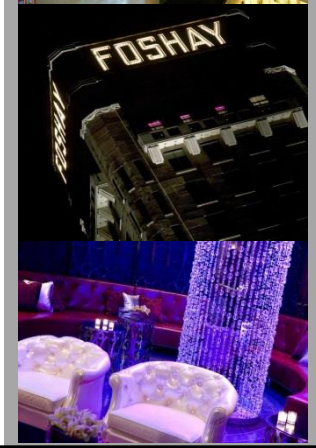












Minneapolis Market Overview

Minneapolis Room Nights	2016	2017	2018	2019	2020	2021	2022	2023
Definite Room Nights	396,089	353,577	340,123	224,946	78,567	67,560	38,905	10,767
Pace Targets	384,635	318,752	243,549	184,657	122,534	66,283	42,345	25,514
Variance	11,454	34,825	96,574	40,289	(43,967)	1,277	(3,440)	(14,747)
Consumption Benchmark	405,560	405,560	405,560	405,560	405,560	405,560	405,560	405,560
Pace Percentage	103%	111%	140%	122%	64%	102%	92%	42%

Strong citywide convention pace through 2019



Competitive Advantages



Hotel Competitive Advantages

W MINNEAPOLIS – THE FOSHAY

- Located in historic art-deco style Foshay Tower, originally constructed in 1929
- Home of four renowned food and beverage outlets including Manny's, Steakhouse, Prohibition Bar, Living Room and Keys Café
- Features the Foshay Museum and Observation Deck. The only observation site offering panoramic views of Minneapolis / St. Paul
- Direct access to the Minneapolis skyway

LE MERIDIEN CHAMBERS

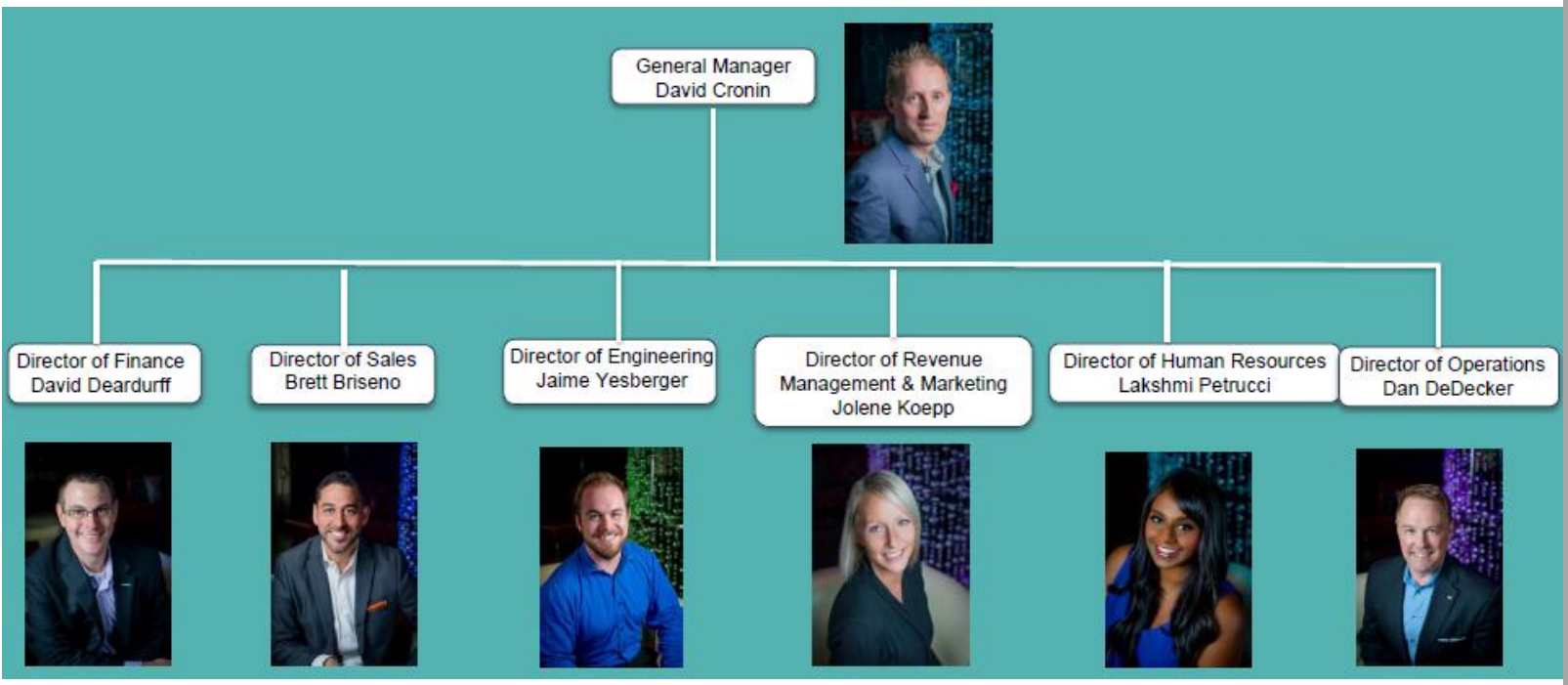
- Unique art-focused luxury hotel in a landmark revival building
- One block from the Orpheum Theater and short walk to Target Center and Target Stadium
- Features a farm to table California inspired cuisine restaurant



Executive Committee



Executive Committee



All Executive Committee members are responsible for both W Minneapolis The Foshay and Le Meridien Chambers.



Competitive Set Overview



Competitive Set Overview

COMPETITIVE SET PROPERTIES							
	W MINNEAPOLIS THE FOSHAY		LE MERIDIEN CHAMBERS				
							
	Hotel Ivy Starwood Luxury Collection	The Hotel Minneapolis Autograph Collection	Loews Minneapolis	Hilton The Marquette Hotel	Kimpton The Grand Hotel	Renaissance The Depot	Westin Minneapolis
Opened	2008	2008	2003	1970	2000	2001	2007
Number of Rooms	136	222	251	281	140	225	214
Meeting Space (sq. ft.)	5,600	5,200	12,000	13,600	6,500	60,000	9,300
			Converted from Wyndham in 2014	Converting to Curio Collection in 2017		Adding 110 rooms	



Minneapolis Downtown – New Supply

2015
- *Hampton 211 Rooms*

2016
- *AC Marriott 244 Rooms*
- *Embassy Suites 290 Rooms*
- *Holiday Inn Exp 135 Rooms*
- *Radisson Red 164 Rooms*
- *3rd & Washington 120 Rooms*

2017
- *Thresher Square 140 Rooms*

2018
- *Hyatt Centric 188 Rooms*

Total
- *1,492 Rooms*

DIRECT COMPETITORS

LEISURE MARKET DILUTION



Property Renovation Overview



Property Renovation Overview

W – THE FOSHAY

- FF&E is original as of 2008
- Brand standard bedding replacement to upgrade duvets (Q2 2016)
- New coffee makers (Q3 2016)
- New guestroom desk chairs (Q4 2016)
- Reupholster soft seating (Q4 2016)
- Restoration of desks and bathroom vanities (Q4 2016)

- Still reviewing timing and scope of a proposed guestroom renovation

LE MERIDIEN CHAMBERS

- FF&E is original as of 2006
- New guestroom televisions (Q2 2016)
- New coffee makers and mini refrigerators (Q2 2016)
- $200k earmarked for expansion of the fitness area (Q4 2016)

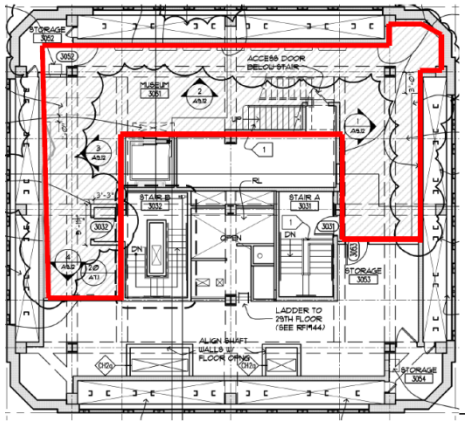
- Scope of proposed 2017 guestroom renovation includes:
  - Repair / replace case goods
  - Replace hardwood entry flooring
  - Replace bathroom shower and floor tile
  - Replace vanities
  - Paint corridors walls and replace carpet



Revenue Opportunities

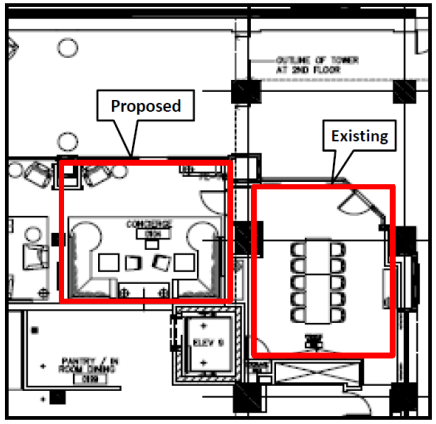


Revenue Opportunities – The Foshay



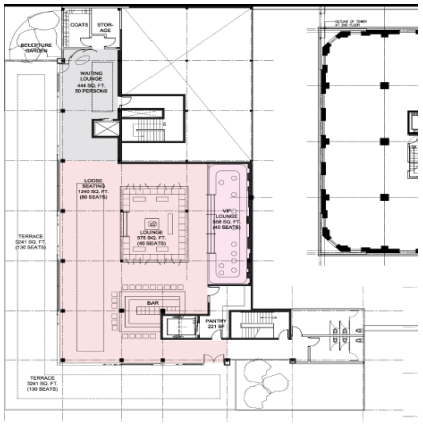
The Foshay Museum

Given the unique U-shape configuration and low ceiling height (6 ft 3 in), the space is best suited for social events. Approximately 1,200 square feet in total.



Concierge Private Dining Room

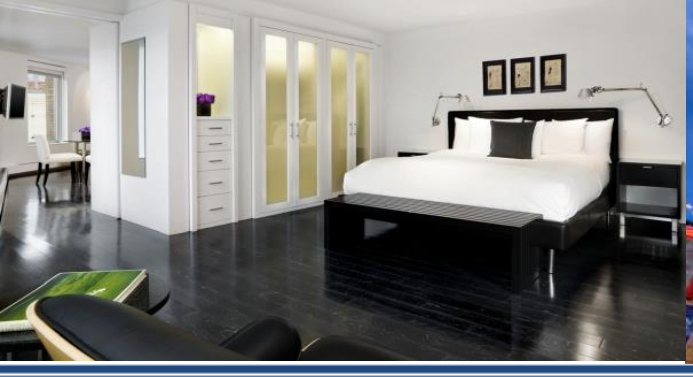
Existing “Speakeasy” private dining room generates annual food and beverage revenues of $500k. At 20%, this equates to $100k of rent to Ashford. Propose converting the Concierge area to a second private dining room. Approximately 500 square feet in total .



Rooftop Lounge & Pool

W Minneapolis currently does not offer a pool. Several newly constructed projects include an outdoor pool. During the conversion to a hotel, the roof above Manny’s was reinforced to support a rooftop venue. Engineering studies at the time validated this.



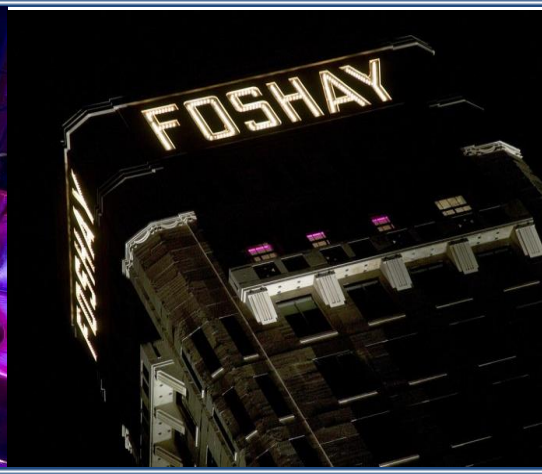












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