

Purchase/Management Transition and Value Add

Embassy Suites St. Louis, MO

159 Rooms

SF Meeting Space

Affiliation - Hilton



OPPORTUNITY

Asset Acquired by Fairwood Hospitality in June of 2013. Airport hotel failing to meet financial expectations and losing share in marketplace due to lack of proactive, strategic planning. HP Hotels saw ample room for improvement, and created a transition plan for this asset before purchase.

ACTION

Improve properties positioning in the market by recruiting an experienced operations and sales team, implementing a strong rate strategy by utilizing the brand system fully and enhancing the hotel's services.

RESULTS

- Hotel enjoyed \$360k+ in total revenue growth
- Brought \$240k to the bottom line resulting in 66% flow (year-end 2014)
- Strategic revenue management strategies increased the sellout efficiency by 9% year-over-year
- Cure operational inefficiencies
- Implemented a \$6 Million PIP

Transition to new owner & HP Management 7-1-2013	2013	2014	Thru 6- 14 2015 hotel sold	Change
Rev Par	86.64	93.86	98.22	8.33%
ADR	112.11	116.94	120.14	4.31%
Occ %	77.27%	80.26%	81.75%	
Total Revenue	5,858,213.43	6,224,088.08	3,019,753.46	6.25%
Gross Operating Profit	1,905,120.07	2,148,445.92	1,058,997.26	12.77%
GOP %	32.52%	34.52%	35.07%	
Income Before Non-Operating Income and Expenses	1,701,017.69	1,961,789.54	968,130.26	15.33%