




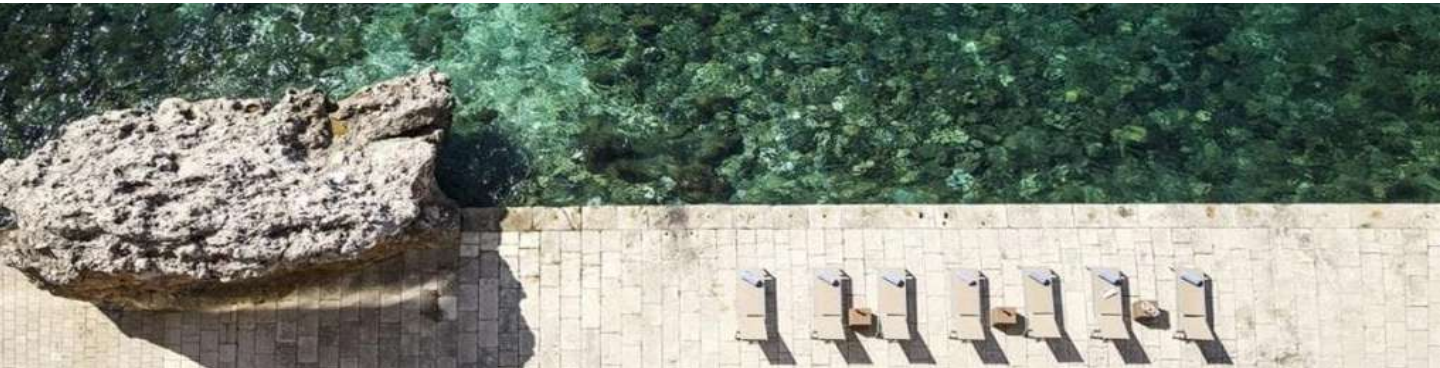
Hotel Asset Management





A pragmatic approach for the success of your hotel project

 **Hilton Garden Inn**



Hotel asset management

Banks, insurance companies, investment funds and private equity firms require an objective perspective on management performance by a third party expert.

Hotel asset management specialists act on behalf of the owner to ensure the asset is acquired at the right price and the appropriate yield, always taking into account its potential upside and local characteristics.

Property management by a hotel chain is audited on a regular basis to make sure a potential divesture can be executed at the right time. Business process reengineering is a constant in the analysis to reach the agreed value targets in the most efficient manner.



Our asset management methodology

1. Financial and operational KPI monitoring:

- Pre-opening budget negotiation and control
- Performance of current results versus budget and history
- Budget auditing and activity accounting
- Competitive set performance benchmarking
- New revenue acquisition and cost control initiatives
- Sales & marketing, channel allocation and booking costs
- Customer and employee satisfaction surveys
- Working capital requirements supervision

2. Analysis of relevant asset evolution in our competitive set:

- ADR, occupancy and RevPAR review for potential competitors
- Identification of key demand generators in our market
- New market entrants and exits follow-up
- Refurbishment and capex benchmark in competing assets
- Competitive pricing and distribution activity reaction



3. Asset life monitoring:

- Regular property inspection and capital expenditure requirements
- Health & safety rules & regulations compliance
- HVAC (Heating Ventilating & Air Conditioning), PMS (Property Management System), telephone, internet, video/TV system
- Onsite property representation, when appropriate
- Third party contract review and consulting, particularly lease contracts
- Supervision of refurbishment, conversion and/or property expansion plans
- Insurance policy check and approval
- Property tax auditing

4. Budget preparation:

- Budget planning with hotel management company and hotel brand
- Review, challenge and adjustment of proposed budget, marketing and capex plans, in the context of current and expected market conditions and owner's objectives
- Monthly review of deviations on behalf of the owner



5. Asset rotation strategy advice:

- Annual yield review versus initial investment plan
- Yearly value appraisal and review of available strategies (investment, upgrade, conversion, neutral, divesture, etc.)
- Monitoring of competitive set asset transactions and market trends

6. Hotel management company and brand franchise supervision:

- Hotel management company and brand franchise search and selection advice
- Contract negotiation, compliance, modifications and monitoring
- Validation of impact of specific proprietary brand features or hotel platform systems such as CRS, PMS, rewards systems, etc. Negotiation with the brand of those aspects



About PHG Hotels & Resorts

PHG was founded in 2009 with the objective of delivering a personalised and pragmatic consulting service in the hospitality space, as opposed to the prevalent more generic service coming from the big generalist firms.

Who are our clients?

- Hotel owners
- Banks and other financial institutions
- Investment funds and REITs
- Insurance companies
- Family offices
- Private investors and high net worth individuals
- Real estate and hotel groups
- State-owned companies



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