



# Case Studies

## Quorum Results

### JOINT VENTURE FORMATION

**Property:** D/FW Hilton Lakes Hotel & Executive Conference Center, Grapevine, Texas, 400 Key, IACC Approved Executive Conference Center located 2 miles from D/FW Airport.

**Services:** Quorum sourced and underwrote the acquisition opportunity on behalf of an investment partnership consisting of a private real estate investment trust (REIT) and a limited liability company (LLC). Hotel was purchased from Hilton Corporation and is operated by Quorum under a long-term franchise agreement with Hilton. Hotel recently completed an \$8M renovation.

**Property:** Hilton Phoenix East, Mesa, Arizona, 260-Keys

**Services:** Quorum was engaged by the lender in 1990 to take over management of this 260-key Hilton franchised property upon foreclosure. Quorum improved operations and formed an investment group to purchase the property from the lender in 1993. Quorum continues to operate this property. The hotel recently completed a \$9M renovation.

**Other Properties Operated on behalf of this client:**

- Embassy Suites, Denver, Colorado 236 Keys
- Holiday Inn Boca Raton, Florida 184 Keys
- Holiday Inn Park Central, Orlando, Florida 344 Keys
- Holiday Inn Casper, Wyoming 200 Keys
- Holiday Inn Executive Center, VA Beach, VA 331 Keys

### REPOSITION THRU DIRECT MANAGEMENT

**Property:** Quorum Hotel Tampa, Tampa, Florida, 262-Keys AAA-4-Diamond, located within the Westshore area of Tampa.

**Services:** Quorum was engaged in 1994 to assume operation of this hotel on behalf of an investment partnership controlled by a Fortune 100 company. After operating and improving operations under a Crown Plaza franchise for 10 years, Quorum converted the property to the Quorum Hotel Tampa in late 2004 upon the expiration of the Crowne Plaza franchise. In addition to the savings associated with removing the franchise, Quorum has met or exceeded all previous financial metrics achieved as a Crowne Plaza. It is estimated that the increase in Net Operating Income (NOI) will allow the owner to exit the asset in 2009-2010. Quorum has supervised multiple renovations of this property.

**Property:** Radisson Suites, Tucson, Arizona, 300-key, AAA-4 Diamond all suite property located in Tucson, AZ

**Services:** Quorum was engaged by the owner of the then Doubletree Suites. Quorum repositioned the hotel to a Radisson franchise (there were too many Doubletree products in the market) and supervised a \$4M± renovation of the facility.

**Other Properties Repositioned Thru Direct Operations:**

- Brown Palace Hotel, Denver, Colorado 240 Keys
- Denver Inn (now Comfort Inn), Colorado 230 Keys
- Hilton Lake Arrowhead, Lake Arrowhead, CA 281 Keys
- Holiday Inn, Lawrence, Kansas 116 Keys
- Holiday Inn, Manhattan, Kansas 192 Keys
- Hotel Plaza II, Toronto, Canada 258 Keys
- Radisson Fort Worth, Texas 517 Keys
- Radisson Pan American Resort, Miami, FL 280 Keys
- Sheraton Galleria, Houston Texas 314 Keys
- Tremont Hotel, Chicago, Illinois 130 Keys
- Whitehall Hotel, Chicago, Illinois 221 Keys

**ASSET MANAGEMENT**

**Property:** *The Ritz-Carlton Hotel & Spa New Orleans*

**Services:** Quorum was engaged in 2000 by the majority partner to replace the developer of this 3-hotel, \$300 million, 800-key complex under construction in New Orleans, Louisiana. Quorum assumed the role of General Partner and supervised the completion of construction and the opening activities of the Ritz-Carlton Hotel Company. Since opening, Quorum has also served as the Asset Manager. In 2005, Quorum was tasked with the enormous rebuilding process in the aftermath of Hurricane Katrina and the coordination of ownership’s \$110M insurance claim. The complex was successfully re-opened in December 2006. Quorum continues to asset manage the activities of Ritz-Carlton.

**Other Asset Managed Properties:**

- Crowne Plaza Omaha, NE 223 Keys
- Embassy Suites Minneapolis 216 Keys
- Hyatt Charlotte, Charlotte, NC 260 Keys
- Hyatt Fair Lakes, Fair Lakes, VA 280 Keys
- Hyatt Dulles, Dulles, VA 280 Keys
- Iberville Suites, New Orleans, LA 230 Keys
- Maison Orleans, New Orleans, LA 75 Keys
- Marriott City Center, Charlotte, NC 434 Keys
- Ritz-Carlton Coconut Grove, FL 115 Keys
- Westin St. Louis, St. Louis, MO 262 Keys
- Westin Beechwood, Fort Worth, TX 286 Keys

**DEVELOPMENT SERVICES**

**Properties:** New Orleans, Coconut Grove, Los Angeles

**Services:** Quorum has assisted numerous investors in the overall planning and designing of new hospitality projects. The company is currently assisting in the development of the hospitality elements contained within the LA LIVE project in Los Angeles, CA. The 54-story facility will include both a JW Marriott and Ritz-Carlton hotel, as well as 200+ Ritz-Carlton Residences.

Quorum was engaged by the owner to design and coordinate a “Request for Proposal” process for this project that resulted in the receipt of aggressive branding/management bids by the four (4) major industry brands - Hilton, Hyatt, Marriott and Starwood. Quorum then assisted the owner through all phases of negotiations with the Marriott Hotel Corporation and con

tinues to assist the developer in all significant decisions relating to the hotel operations.

Quorum has also been engaged by investors to assume development responsibilities in other Ritz-Carlton projects as well as other internationally branded assets. In this role, Quorum represents the owner/developer in dealing with the chain operator so as to ensure a good balance between owner equity and brand equity issues.

**CONSULTING & DUE DILIGENCE SERVICES**

**Sample Properties:** Aston Waikiki (644 Keys), Honolulu, HI; Denver Marriott (800 Keys), Denver, CO; Courtyard Hotel (360 Keys), Kauai, HI; Hotel St. Regis, Detroit, MI

**Services:** Quorum has been engaged by numerous institutional clients over the years to assist in their underwriting of debt and/or equity investments in hospitality assets. These groups utilize Quorum’s services on numerous occasions to provide them with an operator’s perspective as to the condition and market potential of various assets.

**Other Notable Consulting & Due Diligence Assignments:**

- Birmingham Marriott 300 Keys
- Blake Hotel, Charlotte, NC 175 Keys
- Burlington Marriott, Burlington, MA 404 Keys
- Cincinnati Airport Marriott 300 Keys
- Cincinnati North Marriott 297 Keys
- Cincinnati Northeast Marriott 300 Keys
- Columbus Northwest Marriott 297 Keys
- DFW Marriott 300 Keys
- Eastland Park Hotel, Portland, MA 202 Keys
- Embassy Suites, Alexandria, VA 298 Keys
- Essex House, New York, NY 515 Keys
- Grand Hyatt San Diego, CA 1,625 Keys
- Grand Wailea, Maui, HI 780 Keys
- Hartford Marriott 301 Keys
- Hilton Alexandria, VA 241 Keys
- LA Live Convention Center Hotel 1,089 Keys
- Rancho Bernardo Resort, CA 288 Keys
- Savannah DeSoto Hilton, Savannah, GA 245 Keys
- Sheraton Grand, New Bern, NC 350 Keys
- Sonesta Key Biscayne Resort, Miami, FL 389 Keys
- Sonesta Boston, MA 400 Keys
- Stamford Marriott, Stamford, CT 506 Keys
- Surf & Sand Resort, Laguna, CA 164 Keys
- Westin Galleria, Dallas, TX 432 Keys