



Frenchman's Reef Resort & Morning Star Beach Resort  
November 2018





# Frenchman's Reef Resort & Morning Star Beach Resort

## Key Facts & Figures

**Q2 2020**  
**Projected Reopening**

**\$20M+**  
**Brand Support**

**\$30M**  
**USVI Support**

**\$370+**  
**Stabilized ADR**

**\$25M**  
**Stabilized EBITDA**





# Renowned Team of Experts Supporting Rebuild



## **Kollin Altomare Architects**

Four Seasons Punta Mita Resort & Spa  
The Ritz-Carlton Laguna Niguel  
The Fairmont Scottsdale Princess Resort  
The Ritz Carlton, Kapalua Maui



## **WhiteSpace (Design)**

Four Seasons Scottsdale at Troon North  
Four Seasons Hotel Austin  
Ritz-Carlton Half Moon Bay



## **The Johnson Studio (F&B Design)**

The Ritz-Carlton Grand Cayman  
(Blue, Seven, Taikun, Ritz Lobby Bar)  
Lobster Sea Bar Grille (Miami Beach)  
Del Frisco's Double Eagle Steakhouse (Dallas)



## **Maris Collective (Retail, Concepts, Programming)**

Four Seasons Maui  
Four Season Anguilla  
Fairmont Kea Lani, Maui



## **Richard Sandoval Group (Celebrity Chef)**

Four Seasons Nevis  
Four Seasons Punta Mita  
Maya (NYC, Dubai)  
Toro Toro (Abu Dhabi)





# Frenchman's Reef Resort

- Frenchman's Reef Resort is St. Thomas's flagship resort
  - Located on approximately 21 acres of picturesque land overlooking Charlotte Amalie Bay & the Atlantic Ocean
  - Features over 1,200 linear feet of beach
  - Iconic asset with the most visible location and view to island
- Frenchman's Resort is prominently visible by all cruise passengers at the entrance of the Port of St. Thomas
  - Average of 1.8M cruise visitors per year
- Largest hotel on the island and largest private employer
- Currently unencumbered of brand and management
- 384 rooms with ~30K SF of meeting space, full-service spa and numerous restaurant and bar options and 94 additional keys at Morning Star





# Renovation Will Completely Reposition Frenchman's Reef

- ✓ Fully-renovated guestrooms
- ✓ New lobby and public spaces
- ✓ Redesigned pool, beach and spa experience
- ✓ Enhanced restaurant & bar experiences through partnership with celebrity chef Richard Sandoval
- ✓ Improved retail outlets and layout
- ✓ New power system, waste water treatment plant and sea water treatment system
  - Will drive significant annual savings (\$2M)





# Morning Star Repositioned as a Boutique, Luxury Resort

- 94 beachfront rooms will be up-branded to luxury, boutique resort (e.g. Autograph Collection or Curio)
- Guestroom renovation (\$150K per key)
- Reimagined lobby, pool, restaurant and bar



- Distinct branding and luxury identity
- Targeting \$500 ADR
  - Comp to Scrub Island Resort, Park Hyatt St. Kitts and Kimpton Seafire (Cayman Islands)



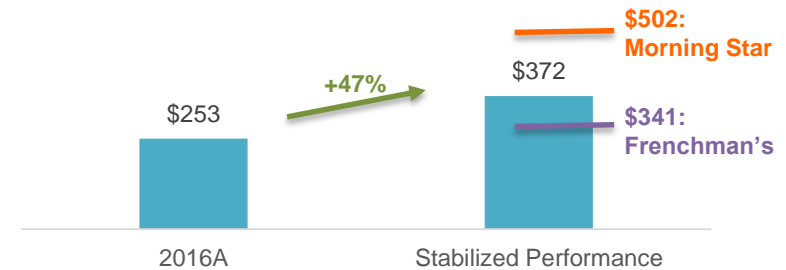




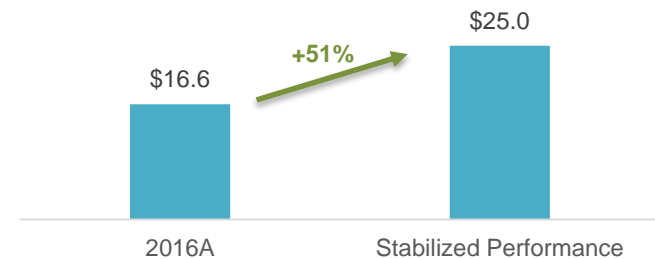
# Significant Upside with Two Vastly Improved Resorts

- ✓ Completely renovated and rebuilt assets
- ✓ Significant rate upside (47%)
- ✓ Independent manager to improve profitability and residual value
- ✓ Increased resort fee for added activities and amenities
- ✓ Reimagined F&B experiences to drive F&B revenues
- ✓ Enhanced tax benefits
- ✓ Infrastructure improvements to drive significant annual savings (\$2M)

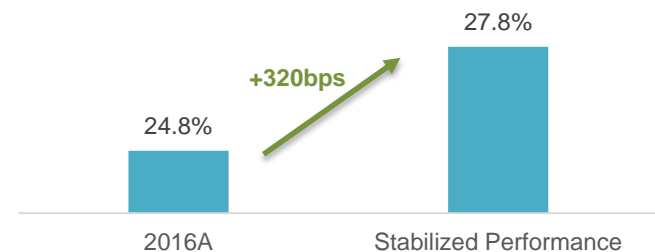
## Average Daily Rate



## EBITDA (\$M)



## EBITDA Margin





# Frenchman's Reef Main Lobby Rendering







# Frenchman's Reef Main Tower Guestroom Rendering



# Morning Star Lobby Rendering







# Morning Star Guestroom Rendering

