

21c Museum Hotel Nashville

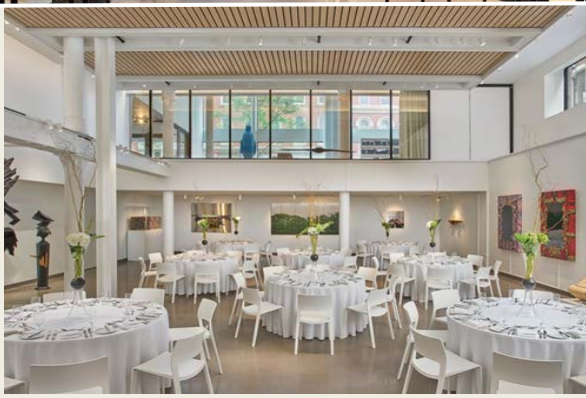
Location: Nashville, TN
Acquisition Price: \$59.0M (\$476K per key)
Year Developed: 2017
Rooms: 124 Rooms & Suites
Amenities: F&B, 8.0K SF Art Gallery / Meeting Space, Retail, Fitness Center, Business Center, and Spa

Bullseye Deal

- Rooms-oriented
- High margins
- High growth market
- Heart of demand location
- High RevPAR

Investment Thesis

- High quality hotel
- Recently developed asset
- A+ core location in high growth submarket
- Off-market transaction
- Lifestyle appeal
- Accretive to RLJ:
 - ~\$285 stabilized RevPAR
 - ~8.0% – 8.5% NOI yield



Nashville Market & Submarket Highlights

- **Nashville a strong growth market with a diversified economy**
 - Ranked in Top 5 Metros for population growth and job creation
 - Diverse demand generators attracting leisure, corporate, and group
 - Robust pipeline with over \$5B in major construction underway
- **Benefiting from existing and emerging corporate expansions and relocations**
 - Oracle, Amazon, Nissan, AllianceBernstein, HCA Healthcare, and EY
- **\$1.2B Nashville International Airport expansion underway following consecutive record-breaking growth**
- **Nashville hotel fundamentals continue to lead and outperform**
 - Nation leading RevPAR growth +8.4% from 2009 – 2019
- **Downtown Nashville a top performing submarket**
 - CBD RevPAR is the highest in the metro area

Hotel Highlights

- **Walking distance to new, high-end Nashville Yards mixed-use development**
 - 3.0M Class A office space (including two Amazon towers), 400K retail and entertainment, 1,000 residential units
- **Offers immediate access to existing and developing sports and entertainment venues and the convention center**
- **Unencumbered boutique lifestyle hotel, well-positioned to capture the experiential traveler in a seven-days-a-week demand market**