

## OVERVIEW

### Amalfi Hotel – Chicago, IL

- 215 Rooms
- Independent Boutique Property
- Midwest Market



## CHALLENGES

- Hotel had undersized rooms, large bathrooms, and very large elevator landings due to prior use as office space
- Previously a United Airlines crew hotel, the lease was rejected when United filed for bankruptcy, leaving the owners with an empty building area

## STRATEGY

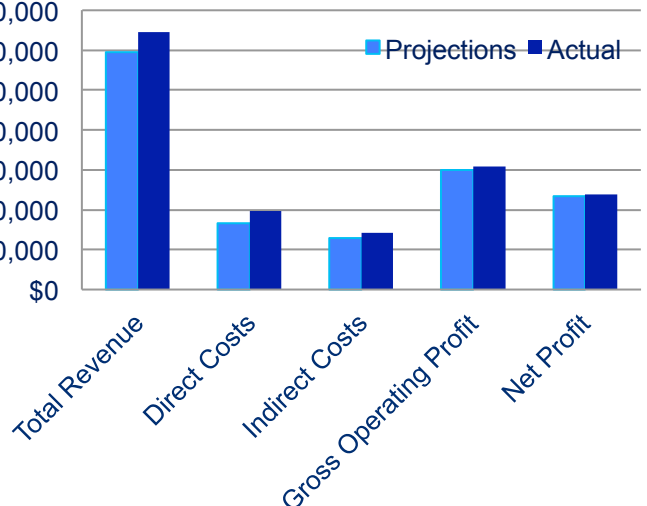
- Create an innovative boutique concept with the potential to be replicated
- Utilize the building's quirks to provide unique amenities – large bathrooms were adapted to suit female travelers' needs, and elevator landings were transformed into complimentary breakfast buffets on every floor
- Philosophy concentrated on delivering exceptional guest experiences – concierge style registration and a stylish Managers' reception set the hotel apart

## RESULTS

- Hotel had an outstanding returning guest percentage, far exceeding levels typically achieved in a major urban downtown market
- Original 3rd year projections were surpassed by actual performance
- In year 4, the hotel sold for \$55M, resulting in an IRR yield to ownership of 40%.

\$14,000,000  
\$12,000,000  
\$10,000,000  
\$8,000,000  
\$6,000,000  
\$4,000,000  
\$2,000,000  
\$0

## Year 3 Performance



### AWARDS

- Best New Hotel in Chicago 2005, Travel+Leisure Magazine
- World's Best Hotels 2006, Travel+Leisure Magazine
- Favorite Wired Hotel 2006, Yahoo