



W

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EXECUTIVE SUMMARY	06
MARKET OVERVIEW	18
W HOTELS OVERVIEW	30
PROPERTY OVERVIEW	32
FINANCIAL OVERVIEW	44



EXECUTIVE SUMMARY





TRANSACTION OVERVIEW

SANTA EULALIA HOLDING S.À.R.L.

(THE "COMPANY") IS PLEASED TO PRESENT THE OPPORTUNITY TO ACQUIRE THE FREEHOLD INTEREST IN W IBIZA (THE "HOTEL" OR THE "PROPERTY") – A RECENTLY DEVELOPED BEACHFRONT LUXURY HOTEL SITUATED ON THE EAST COAST OF IBIZA. THE PROPERTY IS SUBJECT TO A LONG TERM MANAGEMENT CONTRACT WITH MARRIOTT INTERNATIONAL UNDER THE W HOTELS BRAND AND WILL BE THE ISLAND'S SOLE MARRIOTT BRANDED PROPERTY.



EXECUTIVE SUMMARY





LOCATED IN THE TOWN OF SANTA EULÀRIA DES RIU (“SANTA EULALIA”), THE PROPERTY BENEFITS FROM AN IRREPLACEABLE BEACH FRONT LOCATION AT THE END OF THE CITY’S FAMOUS PALM-LINED PROMENADE. DEVELOPED OVER TEN MONTHS (FROM SEPTEMBER 2018 TO JUNE 2019), THE PROPERTY EXHIBITS IBIZA’S MOST ADVANCED HOTEL PRODUCT COMPRISED OF 162 KEYS, SEVEN WORLD-CLASS F&B OUTLETS, TWO SWIMMING POOLS AND A BEST IN CLASS SPA.

Part of the Balearic Archipelago, Ibiza is one of the world’s most well-know tourism destination welcoming over 8.6 million visitors yearly. Consistently ranked as one of the trendiest summer spots in Europe, Ibiza has recently endeavored to become a more inclusive tourism destination and through a successful marketing programme focused on Ibiza’s picturesque scenery and wide range of leisure activities, has attracted more discerning and wealthy clientele to the island.

W Ibiza offers the unique opportunity to acquire the island’s most anticipated Hotel opening of 2019. Ideally located on Santa Eulalia’s seaside and carrying the flag of an incredibly powerful international hotel brand, the Property is perfectly positioned to leverage Ibiza’s growing position as a premium tourism destination.

PROPERTY OVERVIEW

Paseo Marítimo
s/n, Santa Eulalia
del Rio, Spain

Address

Freehold

Tenure

Q3 2019

Estimated
Opening

162

Number
of Rooms

Chiringuito Blue Beach Club

La Llama Restaurant

Ve Cafe

Rise Rooftop Bar

Barista Bar

W Lounge & Bridge Bar

Wet Deck

Below Club

F&B

Direct Beach Access

Kids Club

Multifunctional Room (101 sqm)

2 Outdoor Pools
(Rooftop and Main Deck)

Spa including
Seven Treatment Rooms

Fitness Centre

Other Facilities

W Hotels,
Marriott
International

Brand

Management
Agreement

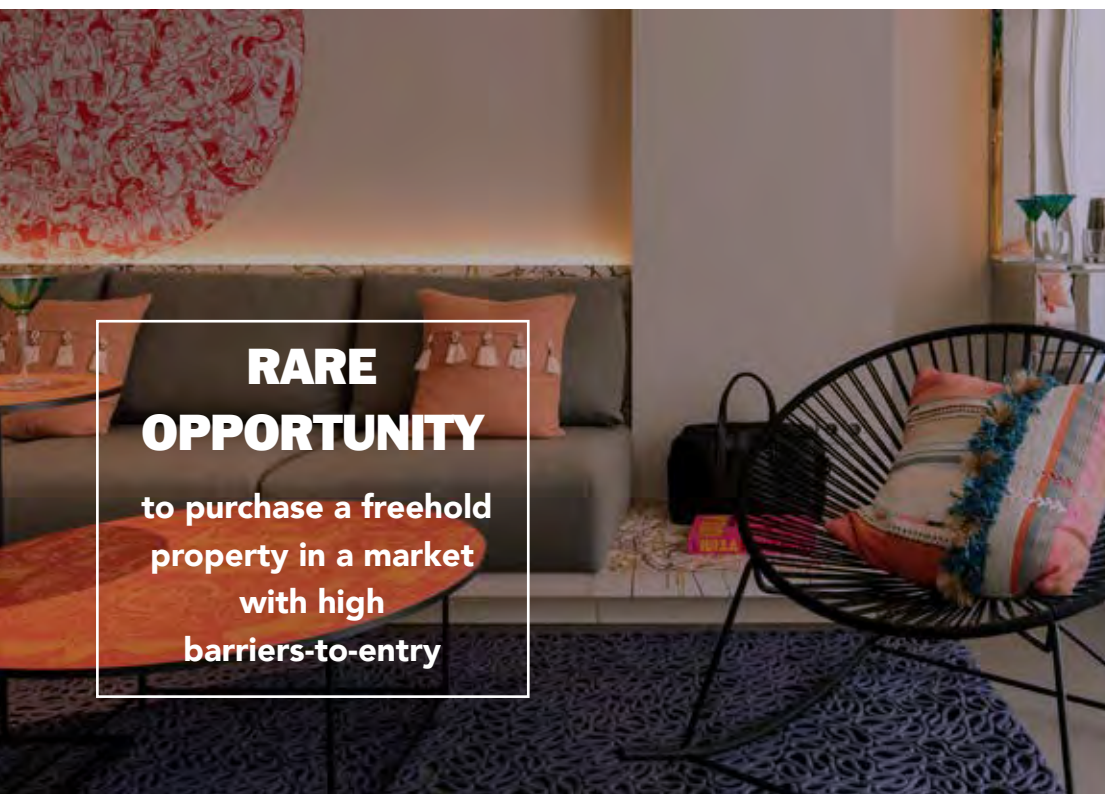
Operating
structure



KEY INVESTMENT HIGHLIGHTS

OUTSTANDING BEACHFRONT LOCATION

in the heart of Santa Eulalia with 80 metres of prime beach frontage



RARE OPPORTUNITY

to purchase a freehold property in a market with high barriers-to-entry



Newly developed hotel product

FITTED OUT TO THE HIGHEST STANDARDS

**OPERATED BY
INTERNATIONALLY
RENOWNED HOTEL
MANAGER**

under the world's premier
lifestyle luxury brand, W Hotels

**DESTINATION
F&B CONCEPTS**

with a strong appeal to
both in-house guests and
external visitors driving
F&B revenue and profit

ICONIC TOURISM DESTINATION

in Southern center Europe with
a +5.4% CAGR in arrivals since 2012

**MEDITERRANEAN
LEISURE ASSETS**

topping the rank
for hotel investment
destinations

INVESTMENT HIGHLIGHTS

RARE OPPORTUNITY TO PURCHASE A FREEHOLD PROPERTY IN A MARKET WITH HIGH BARRIERS-TO-ENTRY

Boasting 162 guest rooms, the W Ibiza offers the unique opportunity to purchase a freehold Property in one of Europe's most sought-after tourism destinations.

Built on a 10,000 sqm site, the V-shaped Property spans two seven storey buildings and has been designed in close collaboration between BK Architects and W Hotel & Resorts to create one of Ibiza's most iconic properties.

The Hotel will be open on a seasonal basis, initially from Grand Opening in Q3 2019 through the end of October 2019 and then for 214 days per year from 2020 onwards in conjunction with Ibiza's summer season which runs from May through October.



ATTRACTIONS / OCCUPIERS

- 1 Parròquia de Santa Eulalia & Ethnography Museum
- 2 Congress Hall and Exhibition Centre Ibiza
- 3 Nikki Beach Club
- 4 Sant Charles de Peralta
- 5 Santa Gertrudis de Fruitera
- 6 Castell de Eivissa
- 7 Ibiza Cathedral
- 8 Dalt Vila, UNESCO World Heritage Site
- 9 MACE Museum of Contemporary Art
- 10 Aquamar Water Park

NIGHTLIFE

- 1 Amnesia
- 2 Privilege
- 3 Pacha
- 4 Hi Ibiza

PMV-803-1



OUTSTANDING BEACHFRONT LOCATION IN THE HEART OF SANTA EULALIA

Located at the end of Santa Eulalia's stunning palm-lined promenade, the Property enjoys nearly 80 metres of prime beach frontage coupled with uninterrupted views of the Mediterranean, offering a unique backdrop to its 162 guest rooms and 7 F&B outlets. In addition to direct beach access, the Hotel benefits from a concession to operate the adjacent sea-facing beach club which boasts 88 day sun loungers.

Santa Eulalia is Ibiza's third largest town and is situated just 20 minutes from Ibiza's Old Town and 25 minutes from Ibiza Airport. Revered as the island's gastronomic and cultural centre, Santa Eulalia historically attracted visitors searching for a more discerning holiday experience, providing the ideal backdrop for the upcoming W Ibiza.

NEWLY DEVELOPED HOTEL PRODUCT FITTED OUT TO THE HIGHEST STANDARDS

Due to its unique beachfront location and proximity to Santa Eulalia, the Property was selected as Ibiza's first Marriott branded property and the sixth W Hotel and Resort property in Europe, after premier locations such as London, Paris, Amsterdam and Barcelona.

Originally purchased in Q4 2017, the Property underwent a top-to-bottom comprehensive renovation programme to be converted into Ibiza's premier luxury destination. Fitted out to the latest W Hotels specifications, the Hotel features large

and generous guestrooms with exceptional sea views and over 2,000 sqm of F&B space capable of accommodating up to 1,000 covers. The Property also benefited from extensive back of house and structural works, effectively creating a brand new and extremely comprehensive hotel product.

Benefitting from state of the art facilities coupled with the increased demand for luxurious product in Ibiza, it is anticipated that the fully fledged Property's cash flow will stabilise at €8.4 million of NOI in 2021 whilst generating a RevPAR of €469.

PROJECTED FINANCIAL OVERVIEW

	Year 0 2019 ⁽¹⁾	Year 0 2019N ⁽²⁾	Year 1 2020	Year 2 2021	Year 3 2022	Year 4 2023
Occupancy	60.0%	74.0%	76.4%	80.1%	81.9%	81.9%
ADR	€420	€450	€533	€586	€604	€622
RevPAR	€252	€333	€407	€469	€495	€509
Total Revenue	€12,098	€25,387	€28,688	€31,854	€33,413	€34,253
GOP	€1,909	€5,925	€9,134	€11,232	€12,034	€12,446
GOP Margin	15.8%	23.3%	31.8%	35.3%	36.0%	36.3%
NOI	€1,155	€4,246	€7,041	€8,411	€8,642	€8,614
NOI Margin	9.5%	16.7%	24.5%	26.4%	25.9%	25.1%

⁽¹⁾ Initial-Year Hotel operating figures reflect partial-season operations from Grand Opening (01 July 2019) through 31 October 2019

⁽²⁾ Normalised Initial-Year Hotel operating figures reflect full-season operations from 01 April 2019 through 31 October 2019

Please refer to page 45 and 46 for further notes and a detailed P&L



Marriott
INTERNATIONAL

W
HOTELS
WORLDWIDE

**OPERATED BY INTERNATIONALLY RENOWNED
HOTEL MANAGER UNDER THE WORLD'S
PREMIER LIFESTYLE LUXURY BRAND**

Flagged under the W Hotels brand, the Hotel benefits from the reach and expertise of the world's largest hotel company coupled with the appeal of the best performing luxury lifestyle brand globally. Furthermore, as the sole Marriott International property in Ibiza, the Property is the direct beneficiary of its loyalty programme which totals more than 125 million members globally.

**MARRIOTT
INTERNATIONAL
HOTELS
KEY FIGURES**

2,544
Hotels in the
Pipeline

30
Brands

125 million
Loyalty
Members

7,000
Hotels

130
Territories &
Countries

**W HOTELS
KEY FIGURES**

69
W Hotels

30
W Hotels in the
Pipeline

DESTINATION F&B CONCEPTS WITH A STRONG APPEAL TO BOTH IN-HOUSE GUESTS AND EXTERNAL VISITORS DRIVING F&B REVENUE AND PROFIT

The W Ibiza leverages its unrivalled beachside location with the inclusion of seven destination F&B outlets, providing its in-house and external guests with a comprehensive offering from sunrise until late, with offerings designed to compliment one another. All the venues are serviced by one centrally located kitchen, except for the Chiringuito Blue Beach Club which can be operated independently from the Hotel.

Overlooking the Hotel's main swimming pool, the entrance level features the circa 300 sqm fine dining Restaurant "La Llama", alongside a 115 sqm health food brasserie "Ve Café" which also benefits from direct access to the beachside promenade. At the pool level, the W Lounge seamlessly blends with the Wet Deck and its numerous sunbeds and cabanas. Located on the 500 sqm rooftop terrace, the Asian fusion tapas and cocktails bar "Rise" provides guests with a breath-taking vantage point over the Mediterranean sea, whilst the Chiringuito Blue Beach Club located directly on the beach offers unparalleled proximity to Ibiza's turquoise waters. To complete the offering, guests have access to the exclusive 120 sqm Below Nightclub.

With strong brand identities, first-rate products and a total seat capacity of nearly a thousand pax, the Hotel's extensive F&B facilities generate a diverse and robust income profile effectively distributing revenue risk.



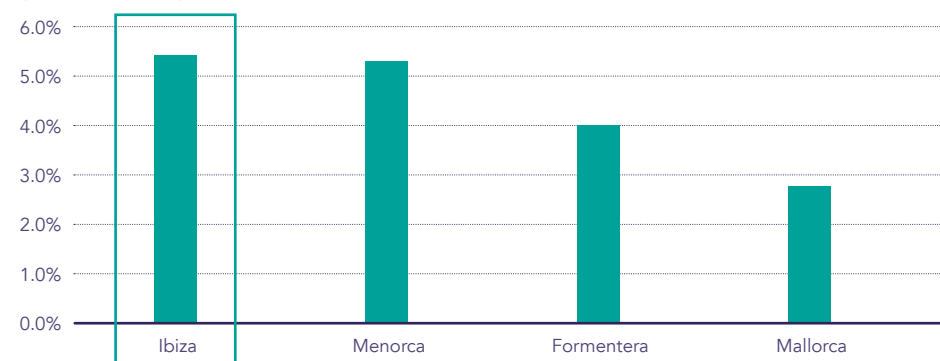


ICONIC TOURISM DESTINATION IN SOUTHERN EUROPE WITH A +5.4% CAGR IN ARRIVALS SINCE 2012

Thanks to its breath-taking landscapes, clear water, lively social scene and outstanding hospitality, Ibiza has established itself as the Mediterranean's most iconic summer destination. Easily accessible from any major European capital, Ibiza Airport welcomed 8.1 million travellers in 2018 and was ranked in the top 20 busiest airports for private jets for the fourth year in a row.

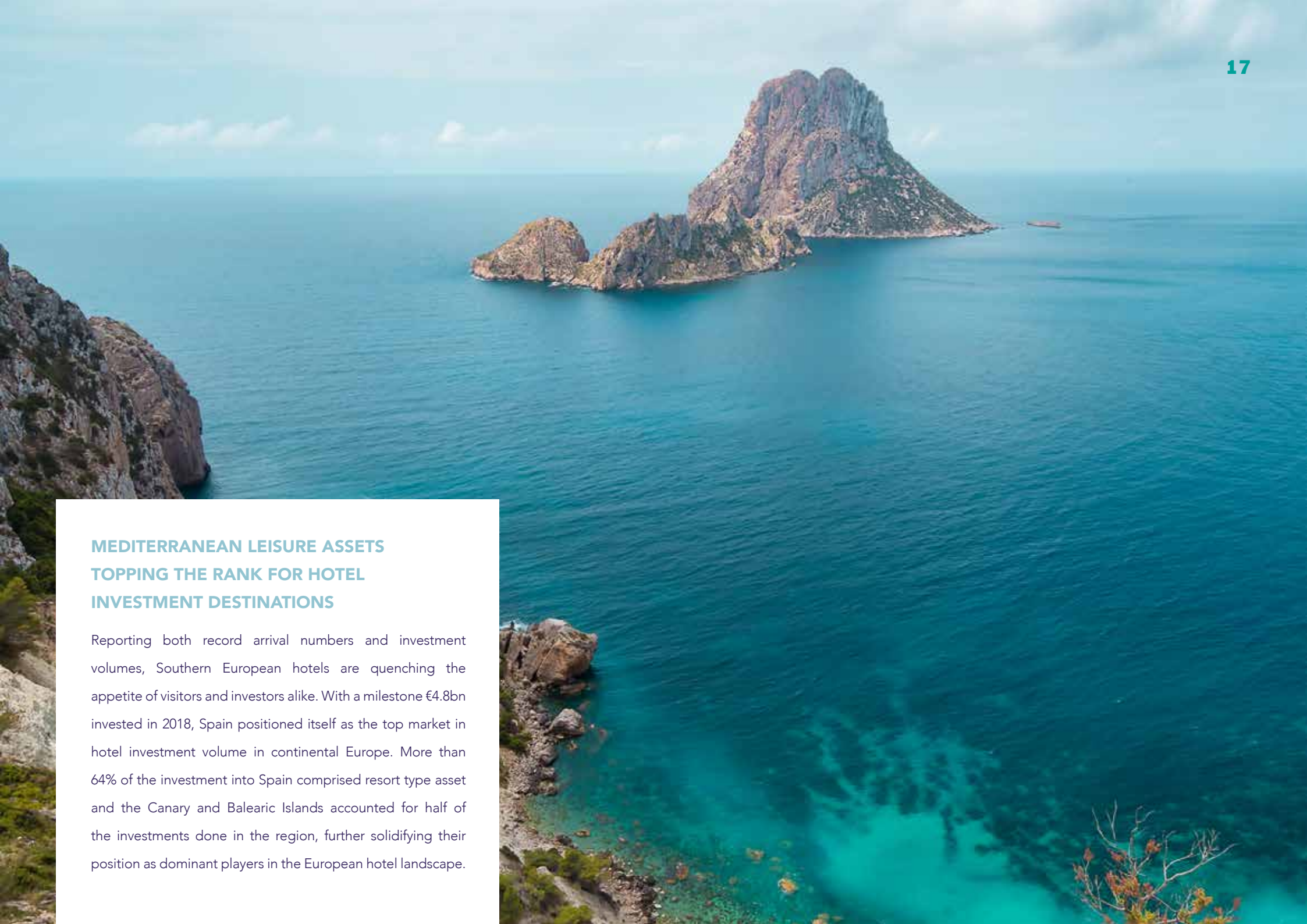
As one of the fastest growing destinations in the Balearic Islands, Ibiza's global attractiveness is rooted in its prominence as an inclusive leisure destination at the forefront of entertainment for which the island has become renowned.

ARRIVAL CAGR COMPARISON ACROSS THE BALEARIC ISLANDS (2012-2018)



Source: Statistical Office of the Balearic Islands





MEDITERRANEAN LEISURE ASSETS TOPPING THE RANK FOR HOTEL INVESTMENT DESTINATIONS

Reporting both record arrival numbers and investment volumes, Southern European hotels are quenching the appetite of visitors and investors alike. With a milestone €4.8bn invested in 2018, Spain positioned itself as the top market in hotel investment volume in continental Europe. More than 64% of the investment into Spain comprised resort type asset and the Canary and Balearic Islands accounted for half of the investments done in the region, further solidifying their position as dominant players in the European hotel landscape.



MARKET OVERVIEW

SPAIN AT A GLANCE

**€90
billion**

Total Tourism
Expenditure in 2018

**105
million**

Tourism
Arrivals

**€4.8
billion**

Hotel Investment
Volume in 2018

14.9%

Tourism Contribution
to GDP in 2017

**€1,200
billion**

GDP in 2019F

+2.2%

GDP growth
in 2019F

SPAIN - EUROPE'S SWEET SPOT

LOCATED ON THE IBERIAN PENINSULA AND EXTENDING OVER 505,000 SQUARE KILOMETRES, SPAIN IS THE SECOND LARGEST COUNTRY IN THE EUROPEAN UNION BY SURFACE AREA AND IS HOME TO OVER 46 MILLION PEOPLE.

Displaying one of the strongest economic recoveries in Europe since 2008, Spain has consistently outperformed the majority of European economies in terms of GDP growth. Spain is set to continue doing so through 2019 and 2020, with projected GDP growth of +2.2% and +1.9%, respectively, compared to just +2.0% and +1.7% projected for the Eurozone. As a result of its tremendous economic growth trajectory, Spain was upgraded to an A- rating by Fitch and S&P in 2018, highlighting an increased confidence in the economy and its future outlook.



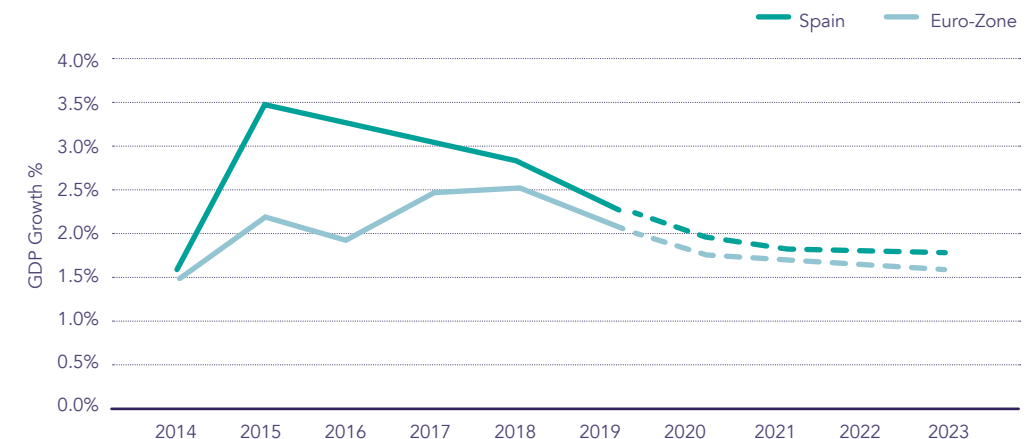
The improvement has been the result of various macroeconomic stimuli, which prompted job creation, a steady recovery of investment, and an uplift in business activity. Over 2.5 million jobs have been created since 2014 – including 560,000 in 2018 – reducing the unemployment rate from 26.1% in 2013 to 15.5% in 2018, and reaching a nine-year record low. Furthermore, Spain has experienced steady wage growth, with a +3.3% CAGR from 2000 to 2019F; clearly ahead of the Eurozone, which saw wages grow by just +2.5% during the same period.

GDP GROWTH FORECAST COMPARISON



Source: IMF

SPAIN AND EUROZONE GDP GROWTH



Source: IMF



THE WORLD'S MOST COMPETITIVE TOURISM DESTINATION

SPAIN, WHICH FEATURES THE THIRD LARGEST NUMBER OF UNESCO WORLD HERITAGE SITES IN THE WORLD, HAS BEEN RANKED NUMBER ONE GLOBALLY IN THE BIANNUALLY PUBLISHED TRAVEL AND TOURISM COMPETITIVE INDEX IN 2015 AND 2017.

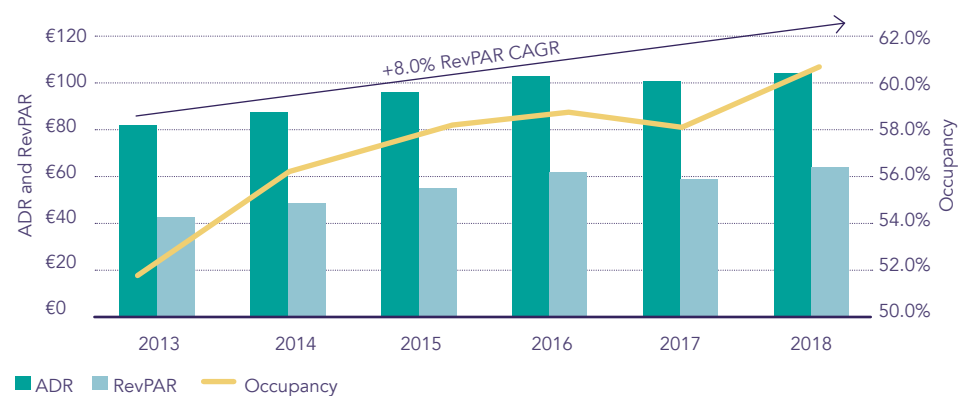
Thanks to numerous popular weekend and resort destinations such as Barcelona, Madrid, Mallorca or Ibiza, the presence of thousands of beautiful beaches along the country's 5,000 kilometre coastline, and its picturesque mountain ranges, Spain benefits from one of the most attractive leisure profiles globally.

At the same time, Spain has been ranked second after the US in terms of total number of conference participants by the International Congress and Convention Association (ICCA) in 2017, hosting in total over 560 meetings annually, which underlines the country's strength as a corporate destination.

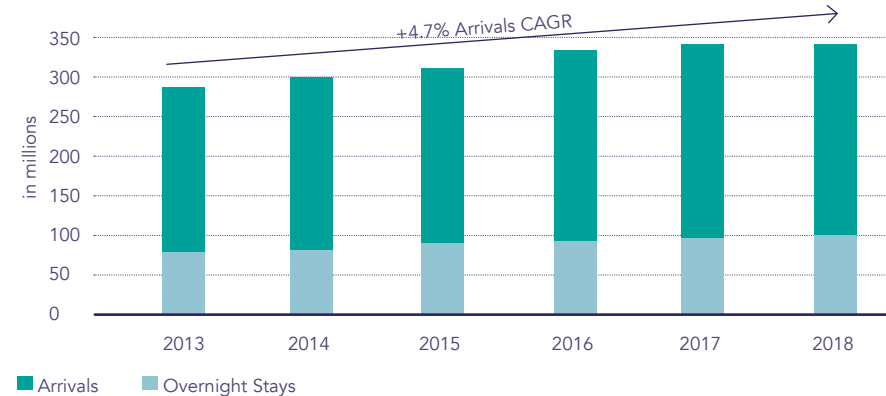
With 105 million arrivals in 2018 and a CAGR of +4.7% since 2013, Spain is the second most visited country in the world after France. The tourism demand growth has had a direct positive impact on the Spanish RevPAR, which has achieved a CAGR of +8.0% since 2013.

Unsurprisingly, tourism represents a key component of Spain's economy, contributing an estimated 14.9% to the national GDP in 2018.

HOTEL TRADING PERFORMANCE IN SPAIN (2013-2018)



TOURISM PERFORMANCE IN SPAIN (2013-2018)





IBIZA AT A GLANCE

Located in the western Mediterranean Sea, near the eastern coast of the Iberian Peninsula, the Balearic Islands consists of four primary islands Eivissa (Ibiza), Mallorca, Menorca and Formentera - as well as many minor islands. With a size of over 570 square kilometres and some 210 kilometres of coastline, Ibiza is divided into five municipalities: Ibiza, Santa Eulalia, Sant Josep, Sant Antoni and Sant Joan. As the oldest urban environment in the western Mediterranean, Ibiza is steeped in history and offers stunning landscapes and some of the most beautiful beaches in Europe and the world. Thanks to the islands cultural richness and biodiversity, Ibiza was declared a World Heritage Site in 1999. Warm and mild temperatures throughout the year with almost 300 days of sunshine coupled with famously crystal clear waters surrounding the island makes Ibiza a true tourism magnet.





IBIZA'S STORY AS A SOUGHT-AFTER DESTINATION

Ibiza began as a port town, founded by Phoenician settlers in 654 BC. Throughout its history, Ibiza was conquered and invaded by many parties like the Vandals, Byzantines and the Moors. The 20th century marked the beginning of tourism in Ibiza with the arrivals of a cradle of artists, philosophers', visionaries and writers, seeking the islands natural beauty. In recent years, Ibiza turned from a hippie domicile into one of the trendiest summer spots worldwide and a must-go destination. With the island's diverse offerings ranging from the well known lively nightlife in Ibiza's Old Town in the south to a peaceful getaway amongst the islands beautiful scenery, hidden coves, cliffs, mountains, beaches and quiet villages in the north, Ibiza attracts a wide range of tourist profiles.

Having ranked #8 on the list of most expensive 2018 tourism destinations by Travel Company Hoppa, Ibiza ⁽¹⁾ recorded an increase in daily expenditure per person of +2.5% y-o-y and a +5.5% CAGR (2016-2018). British visitors, responsible for 40.6% of total arrivals in 2018, showcased an even more remarkable growth of +8.7% y-o-y (average expenditure per day). Moreover, total expenditure on accommodation has seen a +6.9% CAGR since 2016.

⁽¹⁾ Note: also includes Formentera
Sources: Ibiza Tourism Office, Travel Company Hoppa

OUTLOOK

Looking ahead, Ibiza has applied to host the Multisport 2021 World Cup, potentially leading to additional exposure and a considerable increase in tourism arrivals. The Spanish Triathlon Federation estimates that athletes and guests will generate an additional 100,000 overnight stays.

Furthermore, owing to the natural values and cultural criteria of the island, Ibiza has been chosen by UNESCO as a place to be preserved for future generations. To promote sustainable tourism, the local government has recently put in place stricter rules against Airbnb and other holiday rental companies, with cities like Santa Eulalia completely banning the use of such platforms. Fines could reach upwards of €400,000 for the likes of Airbnb, whilst private owners could risk up to €40,000 for disobeying the new regulations.

LEISURE DEMAND DRIVERS

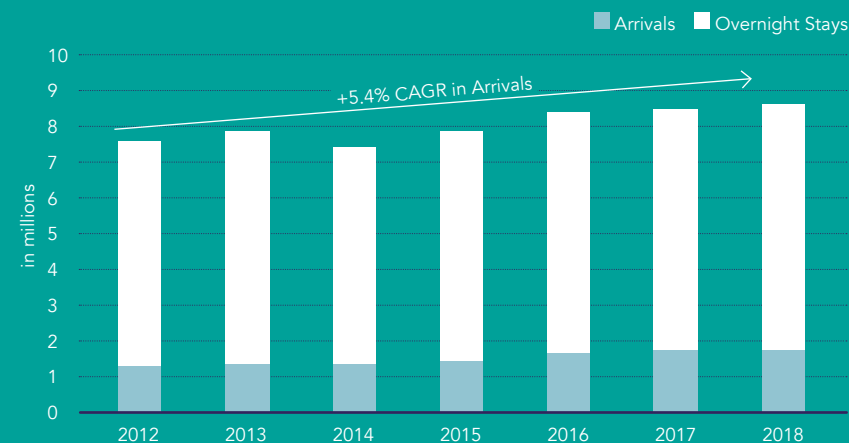
FASTEST GROWING TOURISM DESTINATION IN THE BALEARIC ISLANDS

In 2018, Ibiza set another record for the fourth consecutive year counting over 8.6 million overnight stays, representing y-o-y growth of +1.8% whilst the CAGR since 2012 stands at +2.2%. Over the same period, arrivals grew by a CAGR of +5.4%, making Ibiza the fastest growing destination in the Balearic Islands.

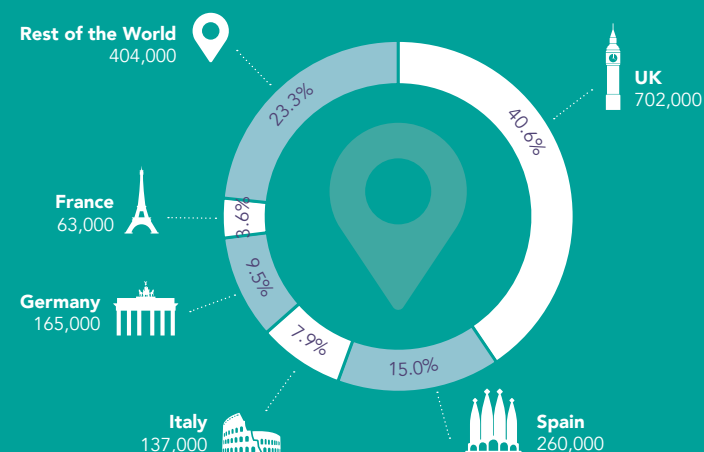
Foreign visitors arriving in Ibiza totaled 85.0% in 2018, with the top four foreign feeder markets comprising the United Kingdom (40.6%), Germany (9.5%), Italy (7.9%) and France (3.6%).



TOURISM DEVELOPMENT IN IBIZA



NATIONALITY MIX BY TOURISM ARRIVALS IN IBIZA - 2018



Note: Tourism Arrivals in accommodation Hotels & Similar in Ibiza

Source: Statistical Office of the Balearic Islands



Santa Eulalia



Mystical Island of Es Vedrà



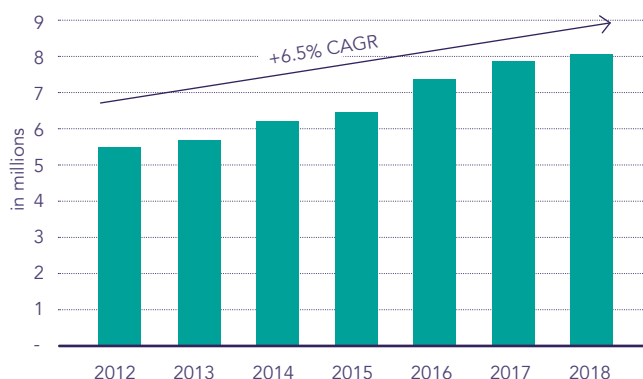
Coast of Ibiza



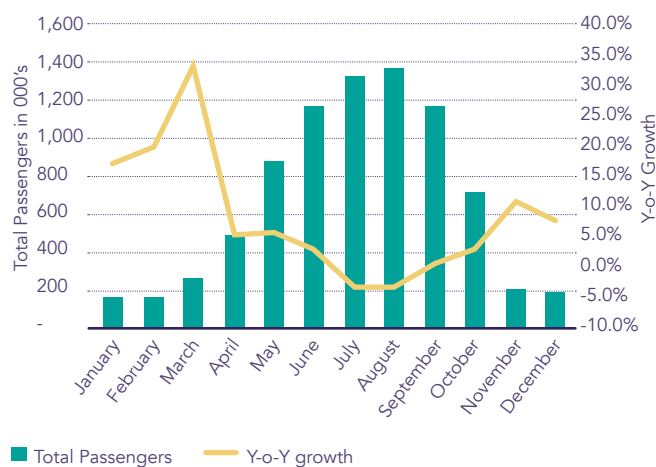
Ibiza Town

ACCESSIBILITY

NUMBER OF PASSENGERS @ IBIZA AIRPORT



MONTHLY ARRIVALS OF PASSENGERS @ IBIZA AIRPORT (2018)



IBIZA AIRPORT

Over the past seven years, Ibiza Airport has seen a significant growth in passenger traffic with a CAGR of +6.5%. Last year, the airport welcomed 8.0 million travellers, representing a y-o-y growth of +2.4%. While a large number of flights connecting Ibiza to Europe's major cities are seasonal due to the demand spike in the summer months, a number of year-round flights have been added to Ibiza Airport as consumers are increasingly travelling to Ibiza throughout the year. The Spanish Airports and Air Navigation (AENA) registered in 2018 a +10.0% increase in commercial airline seats availability for the 2019 winter season. Overall, Ibiza is perfectly placed within the Mediterranean sea as it can be reached within a three hour flight from almost every European key cities.

Private Jets

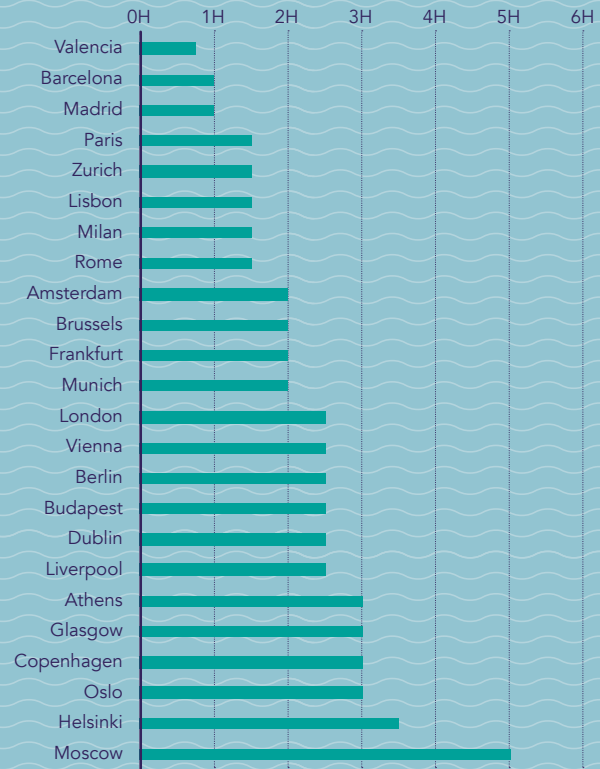
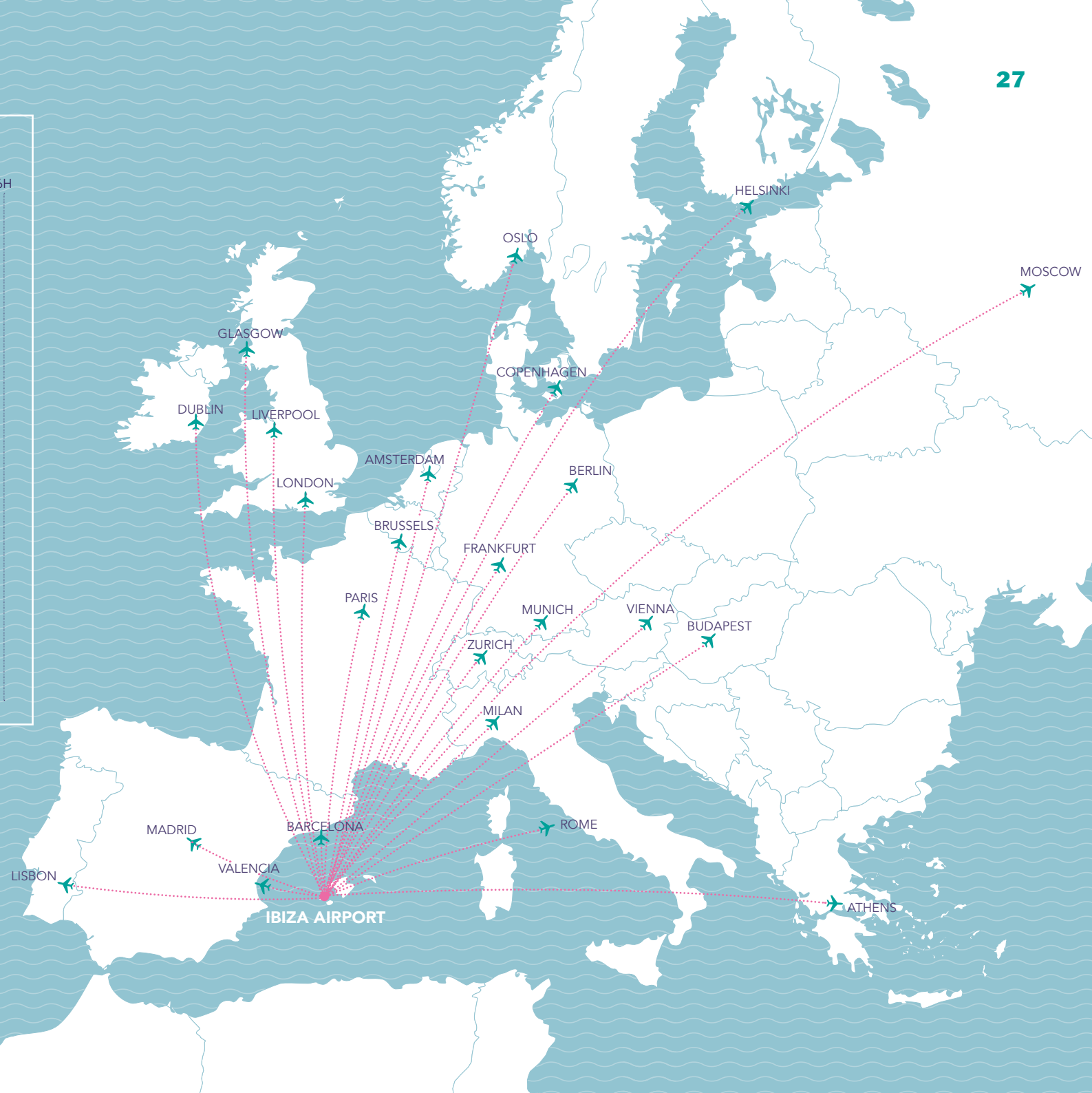
Private aviation traffic represents a large share of the overall flight movements at the Ibiza Airport. The arrival of private jets grew by +7.0% in the first seven months of 2017, and in 2018, the first ever private jet shuttle flight service started operating between Ibiza and Mykonos. Further increase can be expected in 2019 as the jet tour agencies expand the number of seats to Ibiza by +11.0%.

In order to cope with the increasing demand, AENA invested €25 million at Ibiza Airport to increase the parking space for jets with a maximum span of 18 metres from 25 to 34 and to create six more parking slots for aircrafts with a span between 24 and 32 metres.

FERRY

Ibiza is also easily accessible by sea with numerous ferries offering frequent connections between Ibiza and Barcelona, Dénia, Formentera, Gandia, Palma de Mallorca and Valencia. In 2018, over 2.9 million passenger arrivals were recorded at the Port d'Eivissa, resulting in +1.8% y-o-y growth and a CAGR of +3.7% since 2016.

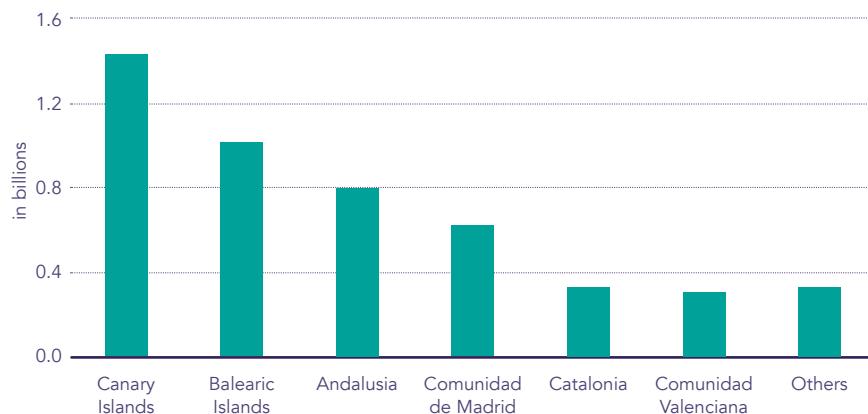
TRAVEL TIMES FROM IBIZA AIRPORT



IBIZA HOTEL MARKET

Southern European resorts saw strong improvement in performance over recent years, with an impressive growth in tourist arrivals of +13.0% and +9.0% in 2017 and 2018 respectively. With the highest growth worldwide (2018), assets in these resort destinations have enjoyed a growing interest by investors. Of the +29.0% increase in portfolio volume transacted in Southern Europe in 2017, 36.0% were logged solely in Spain. Furthermore, more than 50.0% of total investment transacted in Spain were concentrated on the islands. In the Balearics alone, hotel investments doubled in 2018 to circa €1bn, representing an impressive 20.0% of the capital deployed in Spain, whilst 11 of the 47 hotel transactions completed were recorded in Ibiza.

TOTAL INVESTMENT PER REGION IN SPAIN (2018)



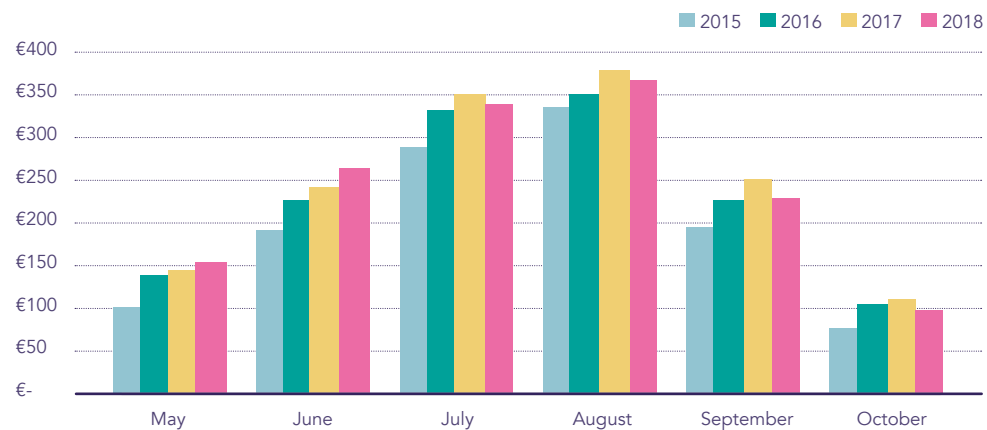
Source: ES Research



HOTELS IN THE UPPER UPSCALE AND LUXURY SEGMENT IN IBIZA HAVE SEEN A REMARKABLE GROWTH IN REVPAR WITH A +6.9% CAGR OVER THE LAST FOUR YEARS, WHICH WAS PRIMARILY DRIVEN BY AN ADR CAGR OF +6.1%. ADDITIONALLY, THE TRADITIONAL IBIZA PRIME SEASON FROM MAY TO OCTOBER CONTINUES TO STRETCH AS TOURIST ARRIVALS IN APRIL INCREASED Y-O-Y BY +65.5% AND +18.8% IN 2017 AND 2018, RESPECTIVELY.

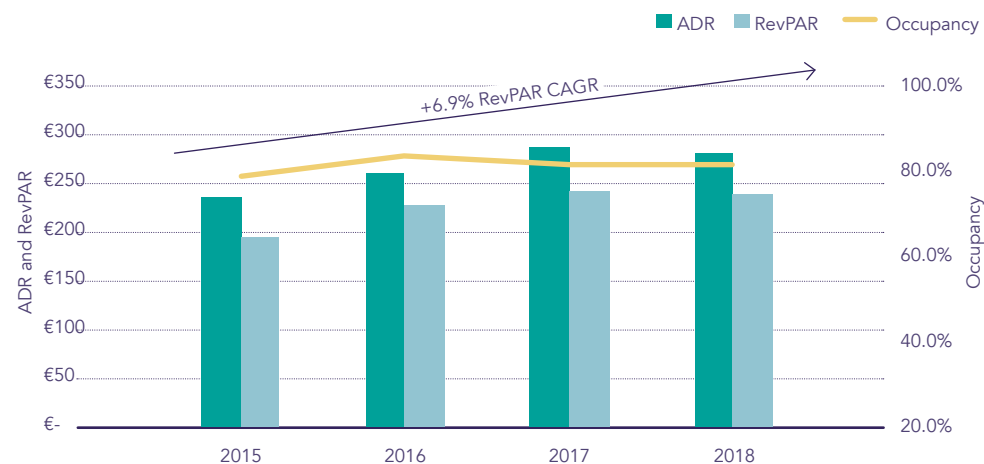


REVPAR TRADING PERFORMANCE IBIZA



Note: includes all properties registered in the upper upscale and luxury categories by STR

HOTEL TRADING PERFORMANCE IBIZA (MAY–OCT)



Note: includes all properties registered in the upper upscale and luxury categories by STR

Source: STR



HOTELS

WORLDWIDE

FIRST LAUNCHED IN 1998 WITH THE W NEW YORK, TODAY THE W BRAND COMPRISES OVER 50 HOTELS WORLDWIDE WITH A PIPELINE OF 30 ADDITIONAL PROPERTIES. W HOTELS CAN BE FOUND IN THE MOST EXCITING EMERGING AND ESTABLISHED INTERNATIONAL GATEWAY CITIES, INCLUDING AMSTERDAM, LONDON, PARIS, BARCELONA, MEXICO CITY, HONG KONG, TAIPEI, BANGKOK AND SINGAPORE, WHILE THE ASPIRATIONAL W ESCAPE PORTFOLIO PROVIDES INSIDER ACCESS TO THE MOST EXOTIC LEISURE DESTINATIONS ACROSS THE GLOBE. FROM THE SLOPES OF VERBIER TO THE BEACHES OF BALI, GOA, KOH SAMUI, MALDIVES, PUNTA DE MITA AND VIQUES ISLAND, W ESCAPES ADDS ANOTHER EXCITING LOCATION TO ITS PORTFOLIO WITH THE OPENING OF THE W IBIZA.

104%

Occ Index

111%

ADR Index

116%

RevPAR Index

A visionary design coupled with the power of a global brand, the W brand continues to outperform the competition in the global luxury lifestyle segment. By creating a differentiated experience and attracting guests who value individuality above all else, the W hotels across the globe achieved an extraordinary RevPAR Index of 116% (2017), driven by an ADR Index of 111% (2017).

The outstanding performance of the W brand is a result of the vast experience and extensive internal resources Marriott International has established. As the largest hotel chain in the world boasting the most powerful portfolio in the industry, Marriott helps owners to maximise the value of their hotel investment by providing all the tools and resources needed to succeed. Thus, the W Ibiza benefits from unparalleled customer reach with its access to Marriott Bonvoy, the world's largest travel loyalty program in the world counting over 125 million members.



W Koh Samui



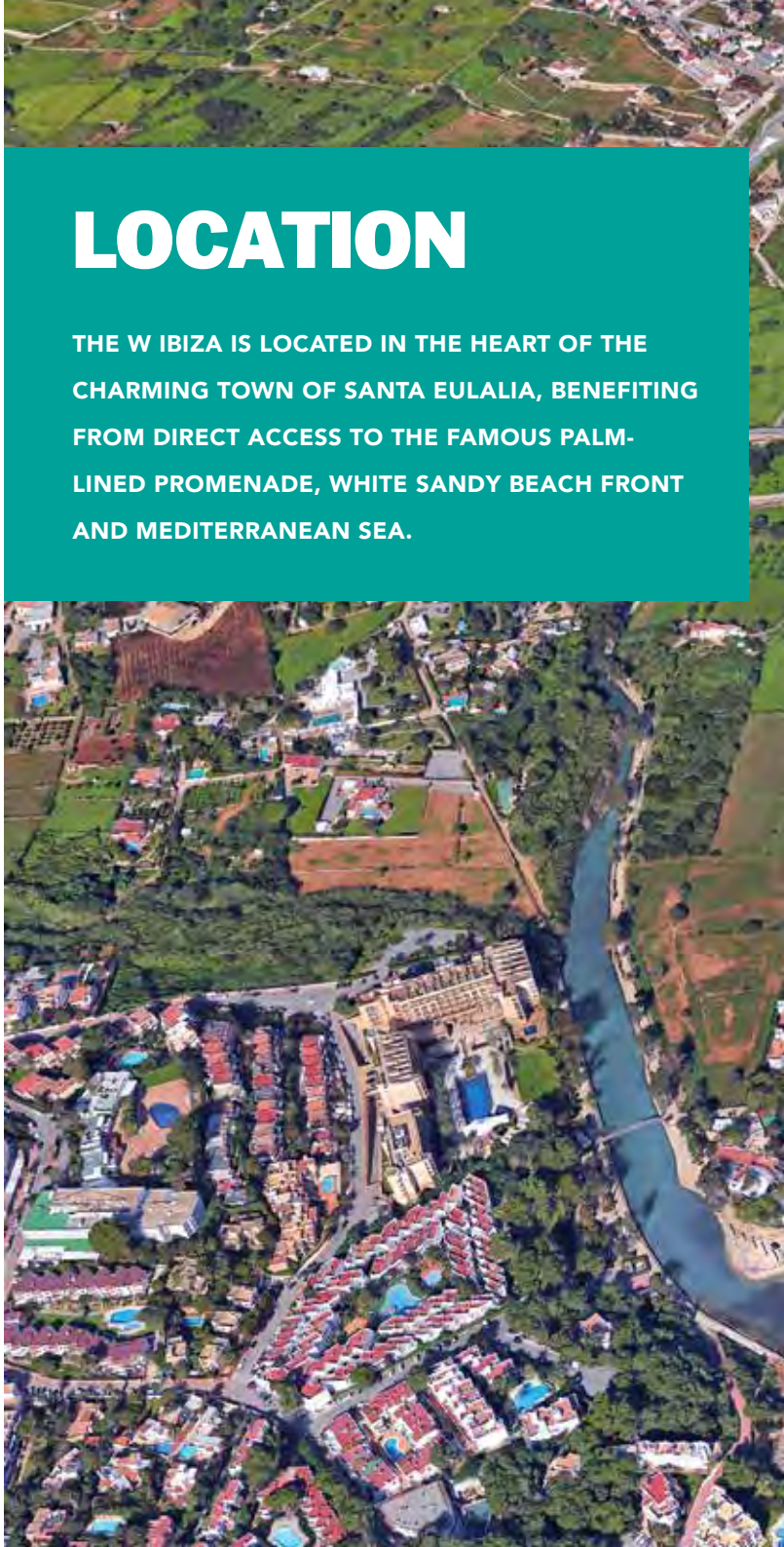
W Barcelona



W Bangkok



PROPERTY OVERVIEW



LOCATION

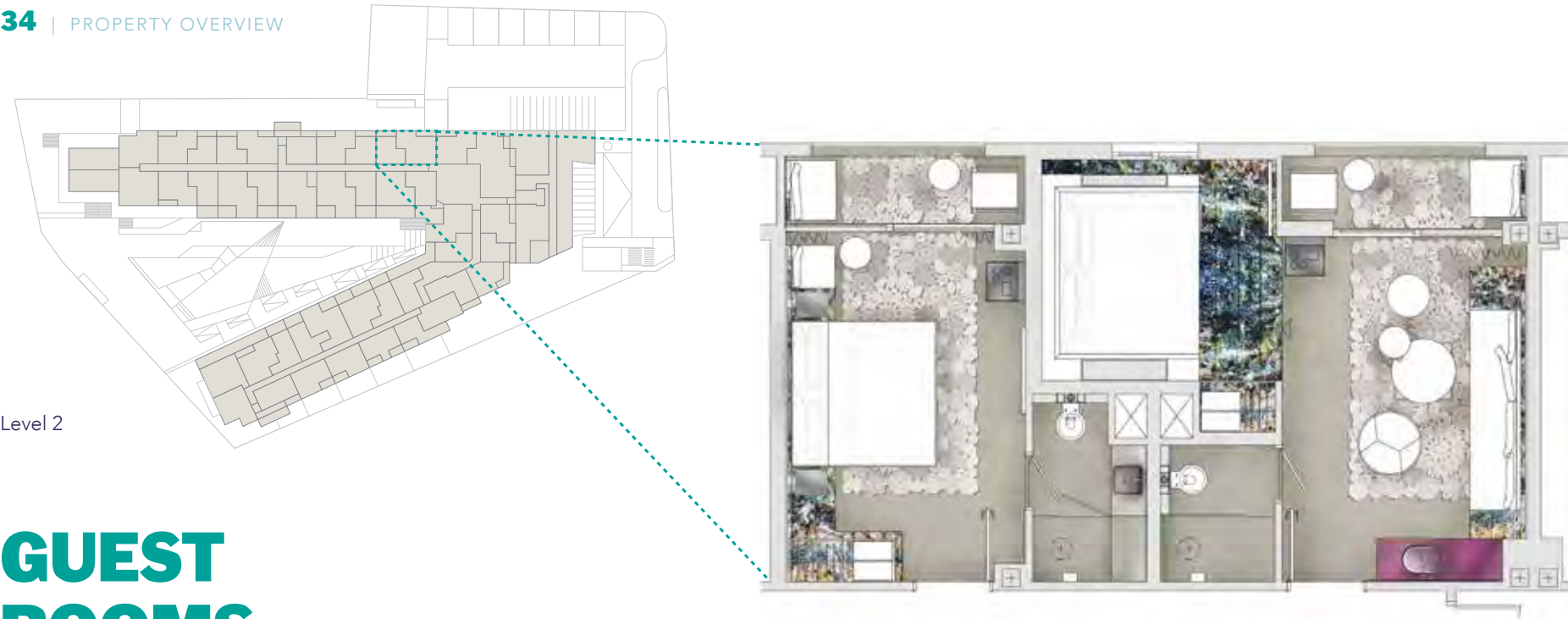
THE W IBIZA IS LOCATED IN THE HEART OF THE CHARMING TOWN OF SANTA EULALIA, BENEFITING FROM DIRECT ACCESS TO THE FAMOUS PALM-LINED PROMENADE, WHITE SANDY BEACH FRONT AND MEDITERRANEAN SEA.



Santa Eulalia, also known as Santa Eulària des Riu, is situated on the centre east coast of the island, next to a picturesque yacht marina, a handful of art galleries and some of the best restaurants in Ibiza.

Popular sights attracting numerous visitors can be reached by car in only 10 minutes, such as the charming villages of Sant Charles de Peralta and Santa Gertrudis de Fruitera, the Ethnography Museum and "Es Puig de Missa", a church

located on the hill dating back to the 16th century. Famous clubs like Amnesia, Privilege and Pacha are only a 20 minute drive southwest and invite island visitors to enjoy the vibrant nightlife for which Ibiza is renowned. Same distance and direction away lies the Ibiza Old Town, which hosts the UNESCO World Heritage Site Dalt Vila, the Castle of Eivissa, the Cathedral and the MACE Museum of Contemporary Art.



Level 2

GUEST ROOMS

THE PROPERTY FEATURES IN TOTAL 162 BEDROOMS SITUATED OVER FIVE FLOORS WITH EACH AND EVERY ROOM PROVIDING MAGNIFICENT VIEWS OF THE SURROUNDINGS AND AMPLE DAYLIGHT THANKS TO FLOOR TO CEILING WINDOWS.

The guest rooms are divided into five guest room types and four suite types. Apart from the Cozy rooms, all guest rooms boast a terrace, representing over 90% of the total room count. The main attribute of the Fabulous room type is its hippie bed while the Spectacular guest rooms located on the west wing of the first floor have access to their own private pool and uncovered terrace. Aside from the Fantastic suites, all suite types are located on the fifth floor and boast an outdoor jacuzzi.

Room Type	Count	% of Inventory	SQM	Main attributes
Cozy	10	6.2%	27-29	-
Wonderful	39	24.1%	23-30	Terrace and mountain or city view
Mega	36	22.2%	25-34	Terrace and swimming pool or sea view
Fabulous	30	18.5%	32-42	Terrace and hippie bed
Spectacular	12	7.4%	28-34	1st floor with a pool, uncovered terrace and city view
Fantastic Suite	26	16.0%	39-47	Entry level suite with terrace
Marvelous Suite	4	2.5%	54-71	5th floor with outside jacuzzi and swimming pool or sea view
WOW Suite	4	2.5%	57-92	5th floor with outdoor jacuzzi and sea view
E WOW Suite	1	0.6%	130	5th floor with outdoor jacuzzi and sea view
Total / Average	162	100.0%	35	

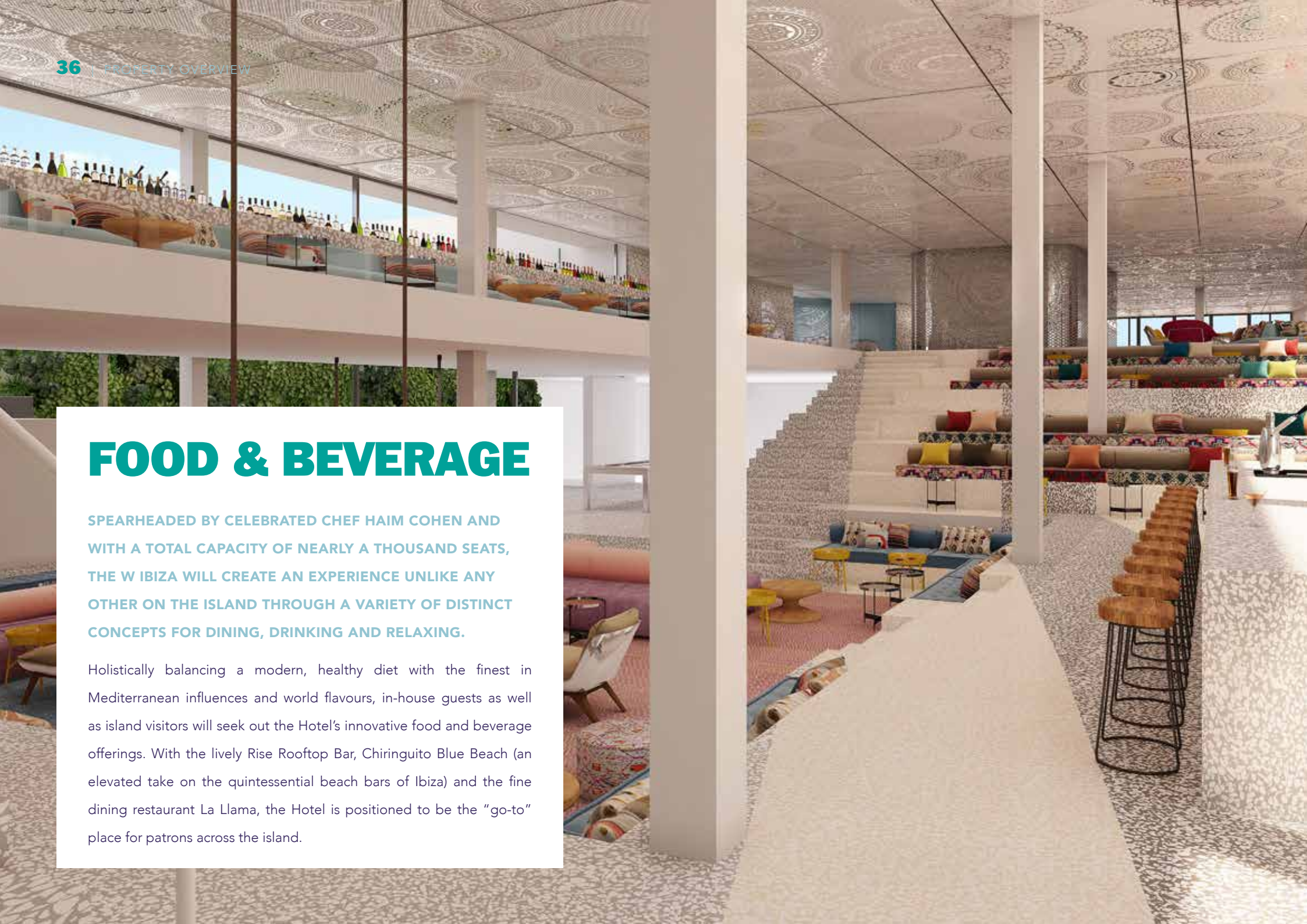




FOOD & BEVERAGE

SPEARHEADED BY CELEBRATED CHEF HAIM COHEN AND WITH A TOTAL CAPACITY OF NEARLY A THOUSAND SEATS, THE W IBIZA WILL CREATE AN EXPERIENCE UNLIKE ANY OTHER ON THE ISLAND THROUGH A VARIETY OF DISTINCT CONCEPTS FOR DINING, DRINKING AND RELAXING.

Holistically balancing a modern, healthy diet with the finest in Mediterranean influences and world flavours, in-house guests as well as island visitors will seek out the Hotel's innovative food and beverage offerings. With the lively Rise Rooftop Bar, Chiringuito Blue Beach (an elevated take on the quintessential beach bars of Ibiza) and the fine dining restaurant La Llama, the Hotel is positioned to be the "go-to" place for patrons across the island.





FOOD & BEVERAGE



CHIRINGUITO BLUE BEACH CLUB



Perfectly situated on the sandy beach and offering spectacular views of the bay, Chiringuito Blue boasts 184 restaurant seats and 88 sun loungers. With an extensive hospitality background and a commitment to food excellence, the team of Israeli chef Haim Cohen focuses on the use of local and fresh produce for their Mediterranean menu. A take away counter generates additional revenue through service to the beach crowd.

Covers: 184

RISE ROOFTOP BAR



With 116 seats overlooking the Mediterranean sea, the infinity pool invites guests to cool off from the hot sun and to enjoy delicious seafood plates and refreshing cocktails served at Rise rooftop bar.

Covers: 116 | **SQM:** 497

VE CAFE



Open throughout the day, the Ve Café invites guests to indulge themselves with a wholesome meal, healthy shake or delicious home made sorbets and ice creams. With 172 seats, an open design and direct access to the lively promenade, Ve Café attracts not only in-house guests but also outside visitors strolling along the beach front.

Covers: 172 | **SQM:** 117

LA LLAMA



Overlooking the swimming pool, the Hotel's three meal restaurant La Llama totals 185 indoor and outdoor seats. Offering breakfast to its in-house guests in the morning, La Llama turns into a fine dining restaurant in the evening. Through its open fire, the restaurant brings pioneering and innovative techniques to classic meat dishes, making it a truly memorable food experience for all guests.

Covers: 185 | **SQM:** 298

BARISTA BAR

The W Ibiza Barista Bar is located at the entrance level and serves guests a range of pastries and hot drinks as well as light snacks and nibbles.

W LOUNGE & BRIDGE BAR

With its spacious and layered design, the W Lounge acts as the epicentre of the Hotel and offers ample space for up to 150 guests. The Bridge Bar just above invites to kick back with a cocktail and to take in the great views overlooking the W Lounge and the Wet Deck.

Covers: 200 | **SQM:** 529

WET DECK

The nine metre bar, located between the W Lounge and the Wet Deck, allows the service of both venues as well as the 100 sun loungers and 10 VIP cabanas positioned around the pool.

SQM: 1,285

BELOW NIGHTCLUB

Open until late into the night, Below Nightclub can host parties up to 120 guests and offers high-quality table service.

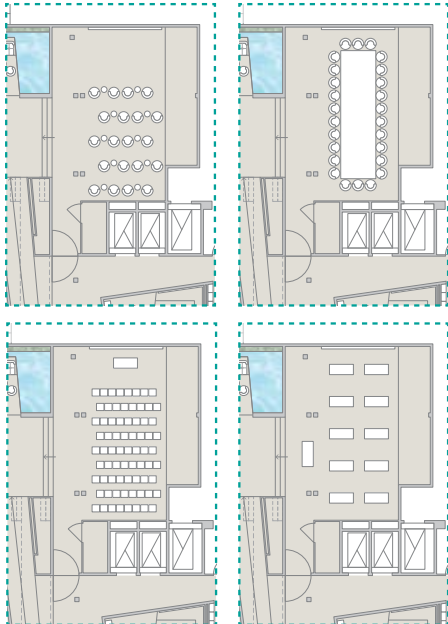
Covers: 120 | **SQM:** 121

OTHER FACILITIES

CONFERENCE MULTIFUNCTIONAL ROOM

The Hotel boasts a multifunctional meeting room at the entrance level covering a surface of 101 sqm. With a maximum capacity of 72 people, the versatile room can be adjusted to host everything from meetings and private parties to cinema nights and yoga sessions.

CONFIGURATION OPTIONS

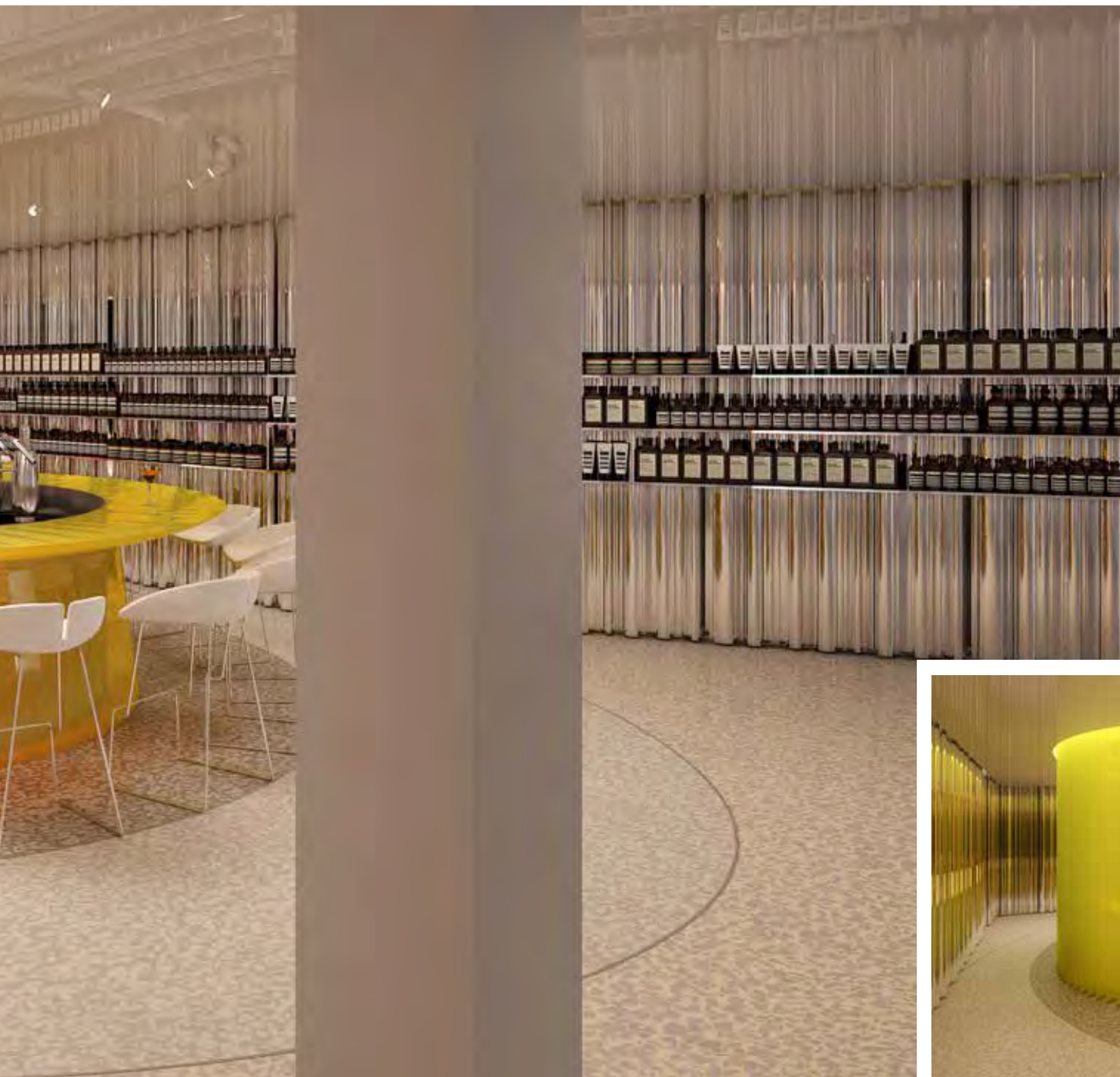


KIDS CLUB

Situated over 210 sqm, the W Ibiza Kids Club provides children an enchanting and safe playground. Featuring a pool and wall for cinema and video games projections, the club is the perfect destination to excite and entertain young minds.

SPA

Spanning over a total area of 310 sqm, W Ibiza offers a variety of spa treatments and facilities, which include pedicure pods, a hair design pod, seven treatment rooms, a dry sauna and wet sauna as well as a SPA bar and fitness centre.



HOTEL MANAGEMENT CONTRACT OVERVIEW

Operator	Marriott International
Term	30 Years beginning at Grand Opening
Extension Term	10 Years
Base Fee	Marriott Base Management Fee equals a percent of Total Revenues less Food & Beverage Revenue MAF as follows: Year 1: 2.50% Year 2: 2.75% Year 3 Onwards: 3.00%
Incentive Fee	GOP POR < 25.00%: 5.75% GOP POR 25.00%-27.49%: 7.75% GOP POR 27.50%-29.99%: 9.75% GOP POR 30.00%-34.99%: 10.75% GOP POR > 35.00%: 11.75%
FF&E	Reserve for Replacement equals a percent of Total Revenue as follows: Year 1: 1.00% Year 2: 2.00% Year 3: 3.00% Year 4: 4.00% Year 5 Onwards: 5.00%





FINANCIAL OVERVIEW



NOTES & DEFINITIONS

The Hotel will operate on a seasonal basis, initially from Grand Opening in July 2019 through the end of October 2019 and then for 214 days per year from 2020 onwards in conjunction with Ibiza's summer season which runs from May through October.

Benefitting from state of the art facilities coupled with the increased demand for luxurious product in Ibiza, it is anticipated that the fully fledged Hotel's cash flow will stabilise at €8.4 million of NOI in 2021 whilst generating a RevPAR of €469.

NOTES

1. Initial-Year Hotel operating figures reflect partial-season operations from Grand Opening (01 July 2019) through 31 October 2019
2. Normalised Initial-Year Hotel operating figures reflect full-season operations from 01 April 2019 through 31 October 2019
3. Marriott Base Management Fee equals a percent of Total Revenues less Food & Beverage Revenue MAF as follows:
 - a. Year 1: 2.50%
 - b. Year 2: 2.75%
 - c. Year 3 Onwards: 3.00%
4. Marriott Incentive Fee equals a percent of Adjusted GOP as follows:
 - a. GOP POR < 25.00%: 5.75%
 - b. GOP POR 25.00%-27.49%: 7.75%
 - c. GOP POR 27.50%-29.99%: 9.75%
 - d. GOP POR 30.00%-34.99%: 10.75%
 - e. GOP POR > 35.00%: 11.75%
5. MAF Management Fee equals 1.00% of Food & Beverage Revenue MAF
6. Management Fee To Marriott equals 3.00% of Food & Beverage Revenue MAF
7. Reserve for Replacement equals a percent of Total Revenue as follows:
 - a. Year 1: 1.00%
 - b. Year 2: 2.00%
 - c. Year 3: 3.00%
 - d. Year 4: 4.00%
 - e. Year 5 Onwards: 5.00%

DEFINITIONS

Adjusted GOP: GOP excluding MAF Food & Beverage Profit less Base Fee

MAF Food & Beverage Profit: Food & Beverage Revenue MAF less Food & Beverage Expense MAF less Undistributed Expenses MAF



PROJECTED OPERATING CASH FLOWS

Initial Year 2019 ⁽¹⁾					Normalised Initial Year 2019N ⁽²⁾					Year 1 2020			
Number of Rooms	162				162					162			
Days Open	123				214					214			
Available Rooms	19,926				34,668					34,668			
Occupied Rooms	11,956				25,654					26,469			
Occupancy / Year-over-Year % Δ	60.0% / -				74.0% / +23.30%					76.4% / +3.20%			
ADR / Year-over-Year % Δ	420.00 / -				450.00 / +7.10%					533.44 / +18.50%			
RevPar / Year-over-Year % Δ	252.00 / -				333.00 / +32.10%					407.28 / +22.30%			
Revenues	€000's	%	POR	PAR	€000's	%	POR	PAR		€000's	%	POR	PAR
Revenues													
Room Revenue	5,021	41.5%	420.00	31,000	11,544	45.5%	450.00	71,262		14,120	49.2%	533.44	87,159
Food & Beverage Revenue Marriott	1,500	12.4%	125.46	9,300	2,897	11.4%	112.92	17,882		3,049	10.6%	115.18	18,819
Food & Beverage Revenue MAF	5,477	45.3%	458.11	33,800	10,577	41.7%	412.29	65,291		11,131	38.8%	420.54	68,712
Spa	100	0.8%	8.36	600	279	1.1%	10.87	1,722		294	1.0%	11.09	1,812
Other	0	0.0%	0.00	0	90	0.4%	3.50	554		94	0.3%	3.57	583
Total Revenues	12,098	100.0%	1,011.93	74,700	25,387	100.0%	989.59	156,711		28,688	100.0%	1,083.82	177,085
Departmental Expenses													
Room Expense	1,255	25.0%	105.00	7,749	3,098	26.8%	120.75	19,122		3,260	23.1%	123.17	20,124
Food & Beverage Expense Marriott	1,275	85.0%	106.64	7,870	2,462	85.0%	95.98	15,199		2,413	79.2%	91.18	14,898
Food & Beverage Expense MAF	4,027	73.5%	336.84	24,858	7,777	73.5%	303.15	48,007		7,623	68.5%	287.99	47,055
Spa Expense	100	100.0%	8.36	617	219	78.5%	8.53	1,351		230	78.5%	8.70	1,422
Rentals & Other Expense	0	0.0%	0.00	0	69	77.1%	2.70	428		73	77.1%	2.75	450
Total Departmental Expenses	6,657	55.0%	556.84	41,095	13,625	53.7%	531.11	84,107		13,600	47.4%	513.80	83,949
Total Departmental Profit	5,441	45.0%	455.09	33,586	11,762	46.3%	458.47	72,604		15,088	52.6%	570.02	93,136
Undistributed Expenses													
Administrative and General	775	6.4%	64.80	4,782	1,356	5.3%	52.85	8,369		1,383	4.8%	52.24	8,536
Sales & Marketing	920	7.6%	76.98	5,681	1,611	6.3%	62.78	9,942		1,643	5.7%	62.07	10,141
Repairs and Maintenance	257	2.1%	21.46	1,583	449	1.8%	17.50	2,771		458	1.6%	17.30	2,826
Utilities	205	1.7%	17.16	1,267	359	1.4%	14.00	2,217		366	1.3%	13.84	2,261
Undistributed Expenses MAF	1,375	11.4%	115.03	8,489	2,063	8.1%	80.41	12,734		2,104	7.3%	79.49	12,989
Total Undistributed Expenses	3,532	29.2%	295.43	21,803	5,837	23.0%	227.54	36,033		5,954	20.8%	224.94	36,753
Gross Operating Profit	1,909	15.8%	159.66	11,783	5,925	23.3%	230.94	36,571		9,134	31.8%	345.08	56,382
Management Fees													
Marriott Base Management Fee ⁽³⁾	166	1.4%	13.85	1,022	370	1.5%	14.43	2,285		439	1.5%	16.58	2,709
Incentive Fee ⁽⁴⁾	163	1.3%	13.61	1,004	566	2.2%	22.06	3,494		857	3.0%	32.36	5,288
MAF Management Fee ⁽⁵⁾	55	0.5%	4.58	338	106	0.4%	4.12	653		111	0.4%	4.21	687
F&B Management Fee Paid To Marriott ⁽⁶⁾	137	1.1%	11.45	845	264	1.0%	10.31	1,632		278	1.0%	10.51	1,718
Total Management Fees	520	4.3%	43.49	3,209									
Income Before Fixed Charges	1,389	11.5%	116.17	8,573	4,618	18.2%	180.01	28,506		7,449	26.0%	281.41	45,980
Fixed & Other Expenses													
Taxes	66	0.5%	5.54	409	66	0.3%	2.58	409		68	0.2%	2.55	417
Insurance	40	0.3%	3.32	245	40	0.2%	1.55	245		41	0.1%	1.53	250
Staff Housing	7	0.1%	0.55	41	12	0.0%	0.48	76		13	0.0%	0.47	78
Total Fixed & Other Expenses	113	0.9%	9.42	695	118	0.5%	4.61	730		121	0.4%	4.56	745
EBITDA	1,276	10.5%	106.76	7,879	4,500	17.7%	175.40	27,776		7,328	25.5%	276.86	45,236
FF&E Reserve ⁽⁷⁾	121	1.0%	10.12	747	254	1.0%	9.90	1,567		287	1.0%	10.84	1,771
Net Operating Income	1,155	9.5%	96.64	7,132	4,246	16.7%	165.50	26,209		7,041	24.5%	266.02	43,465

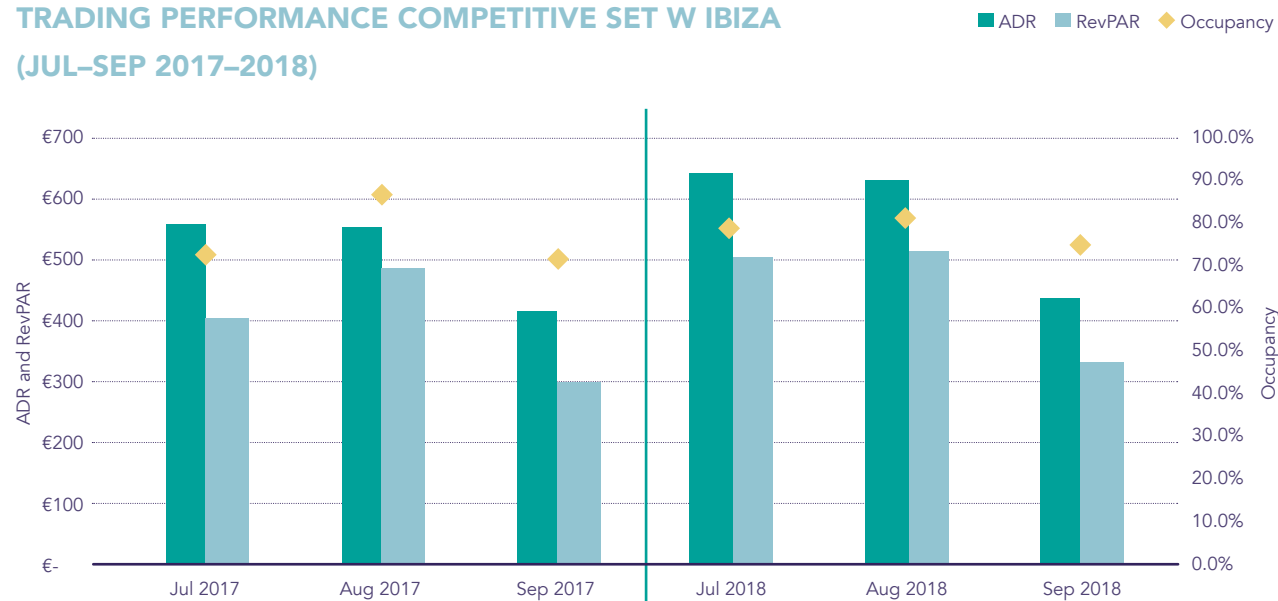
Year 2 2021				Year 3 2022				Year 4 2023				Year 5 2024			
162				162				162				162			
214				214				214				214			
34,668				34,668				34,668				34,668			
27,760				28,406				28,406				28,406			
80.1% /+4.90%				81.9% /+2.30%				81.9% /-				81.9% /-			
586.08 /+9.90%				603.66 /+3.00%				621.77 /+3.00%				640.42 /+3.00%			
469.30 /+15.20%				494.62 /+5.40%				509.46 /+3.00%				524.74 /+3.00%			
€000's	%	POR	PAR	€000's	%	POR	PAR	€000's	%	POR	PAR	€000's	%	POR	PAR
16,270	51.1%	586.08	100,430	17,147	51.3%	603.66	105,848	17,662	51.6%	621.77	109,024	18,192	51.8%	640.42	112,294
3,261	10.2%	117.48	20,131	3,404	10.2%	119.83	21,011	3,472	10.1%	122.23	21,432	3,541	10.1%	124.67	21,860
11,908	37.4%	428.95	73,505	12,428	37.2%	437.53	76,719	12,677	37.0%	446.28	78,253	12,931	36.8%	455.21	79,818
314	1.0%	11.31	1,939	328	1.0%	11.54	2,023	334	1.0%	11.77	2,064	341	1.0%	12.01	2,105
101	0.3%	3.64	624	106	0.3%	3.71	651	108	0.3%	3.79	664	110	0.3%	3.86	678
31,854	100.0%	1,147.46	196,628	33,413	100.0%	1,176.27	206,253	34,253	100.0%	1,205.83	211,436	35,114	100.0%	1,236.17	216,755
3,487	21.4%	125.63	21,528	3,640	21.2%	128.14	22,469	3,713	21.0%	130.70	22,918	3,787	20.8%	133.32	23,377
2,582	79.2%	93.00	15,937	2,695	79.2%	94.86	16,634	2,749	79.2%	96.76	16,967	2,804	79.2%	98.70	17,306
8,155	68.5%	293.75	50,338	8,511	68.5%	299.63	52,538	8,681	68.5%	305.62	53,589	8,855	68.5%	311.73	54,661
246	78.5%	8.88	1,521	257	78.5%	9.05	1,588	262	78.5%	9.23	1,619	268	78.5%	9.42	1,652
78	77.1%	2.81	481	81	77.1%	2.87	502	83	77.1%	2.92	512	85	77.1%	2.98	523
14,548	45.7%	524.07	89,805	15,184	45.4%	534.55	93,731	15,488	45.2%	545.24	95,606	15,798	45.0%	556.15	97,518
17,305	54.3%	623.39	106,824	18,228	54.6%	641.72	112,522	18,765	54.8%	660.59	115,831	19,316	55.0%	680.02	119,237
1,410	4.4%	50.81	8,707	1,439	4.3%	50.65	8,881	1,467	4.3%	51.66	9,058	1,497	4.3%	52.69	9,240
1,676	5.3%	60.36	10,344	1,709	5.1%	60.17	10,551	1,743	5.1%	61.38	10,762	1,778	5.1%	62.60	10,977
467	1.5%	16.82	2,883	476	1.4%	16.77	2,941	486	1.4%	17.11	2,999	496	1.4%	17.45	3,059
374	1.2%	13.46	2,306	381	1.1%	13.42	2,353	389	1.1%	13.69	2,400	397	1.1%	13.96	2,448
2,146	6.7%	77.31	13,248	2,189	6.6%	77.07	13,513	2,233	6.5%	78.61	13,784	2,278	6.5%	80.18	14,059
6,073	19.1%	218.77	37,488	6,195	18.5%	218.07	38,238	6,318	18.4%	222.44	39,003	6,445	18.4%	226.88	39,783
11,232	35.3%	404.62	69,335	12,034	36.0%	423.64	74,283	12,446	36.3%	438.15	76,828	12,872	36.7%	453.13	79,454
549	1.7%	19.76	3,386	630	1.9%	22.16	3,886	647	1.9%	22.79	3,996	666	1.9%	23.43	4,108
1,067	3.3%	38.42	6,584	1,137	3.4%	40.03	7,018	1,179	3.4%	41.51	7,279	1,223	3.5%	43.05	7,549
119	0.4%	4.29	735	124	0.4%	4.38	767	127	0.4%	4.46	783	129	0.4%	4.55	798
327	1.0%	11.80	2,021	373	1.1%	13.13	2,302	380	1.1%	13.39	2,348	388	1.1%	13.66	2,395
9,171	28.8%	330.35	56,609	9,770	29.2%	343.95	60,310	10,112	29.5%	356.00	62,423	10,466	29.8%	368.44	64,604
69	0.2%	2.48	425	70	0.2%	2.47	434	72	0.2%	2.52	442	73	0.2%	2.57	451
41	0.1%	1.49	255	42	0.1%	1.48	260	43	0.1%	1.51	265	44	0.1%	1.54	271
13	0.0%	0.46	79	13	0.0%	0.46	81	13	0.0%	0.47	82	14	0.0%	0.48	84
123	0.4%	4.43	759	125	0.4%	4.42	775	128	0.4%	4.51	790	131	0.4%	4.60	806
9,048	28.4%	325.92	55,850	9,645	28.9%	339.54	59,536	9,984	29.1%	351.49	61,633	10,335	29.4%	363.85	63,798
637	2.0%	22.95	3,933	1,002	3.0%	35.29	6,188	1,370	4.0%	48.23	8,457	1,756	5.0%	61.81	10,838
8,411	26.4%	302.97	51,917	8,642	25.9%	304.25	53,348	8,614	25.1%	303.26	53,175	8,580	24.4%	302.04	52,961

COMPETITIVE SET

THE CURRENT COMPETITIVE SET OF THE HOTEL IS COMPRISED OF FOUR HOTELS TALLING 428 ROOMS INCLUDING THE ME IBIZA, NOBU HOTEL IBIZA BAY, SIR JOAN HOTEL AND GRAN HOTEL MONTESOL IBIZA, CURIO COLLECTION BY HILTON.

Despite an increase in supply due to recent openings of ME Ibiza and Nobu Hotel Ibiza Bay at the end of June 2017, strong demand in the luxury segment was able to fully absorb the additional room stock as occupancy level immediately reached an impressive 77.0% from July to September (2017). The y-o-y growth for occupancy in 2018 totalled +1.8%, whereas ADR saw a significant increase of +12.0% from €512 to €573 over the same period, resulting in an overall RevPAR of €453 (+13.8% compared to 2017).

TRADING PERFORMANCE COMPETITIVE SET W IBIZA (JUL-SEP 2017-2018)



Note: The Competitive Set comprises of the only luxury and upper upscale hotels reporting to STR

Source: STR Global





205 KEYS

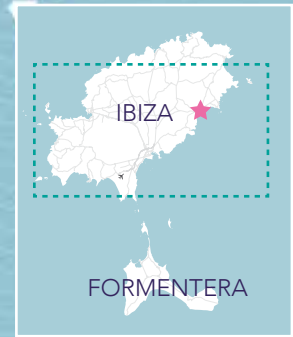
ME

IBIZA

Icons: Fork and knife, Leaf, Waves, Umbrella, Wheelchair, Bed, Bathing suit

SANTA EULALIA

FERRY TO
BARCELONA
& PALMA



162 KEYS

W

IBIZA

Icons: Fork and knife, Leaf, Waves, Umbrella, Wheelchair, Bed, Bathing suit, Music note

38 KEYS

SiR

JOAN

Icons: Fork and knife, Waves

SAN RAFAEL

33 KEYS

M

GRAN HOTEL MONTESOL
IBIZA

Icons: Fork and knife

IBIZA OLD TOWN

152 KEYS

NOBU HOTEL

IBIZA BAY

Icons: Fork and knife, Leaf, Waves, Umbrella, Wheelchair, Bed, Bathing suit

FERRY TO DÉNIA,
FORMENTERA &
VALENCIA

- F&B
- Spa
- Pool
- Beach
- Fitness Centre
- Conference Facilities
- Club

