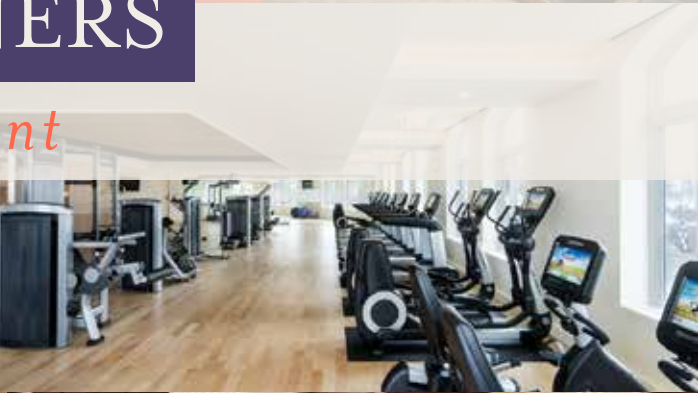
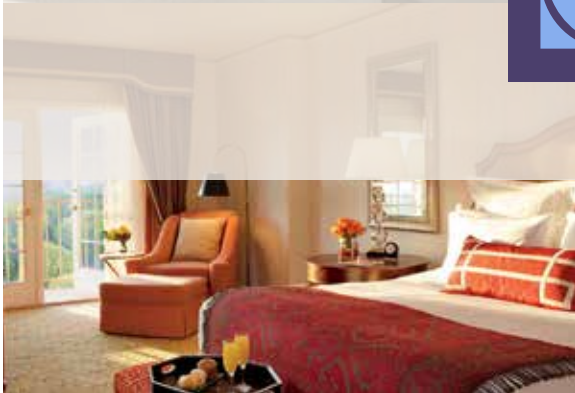




 **LENNOX**
CAPITAL PARTNERS

Hotel & Resort Investment



LENNOX CAPITAL IS...

We are a private lodging investment and management firm seeking selective value-add opportunities with the singular goal of out-performing our peers using our

Experience



A collective 50 years of working only in the lodging and hospitality space with world renowned brands and management companies, managing assets collectively valued at over \$1.5 billion.

Skill



Trained under the most robust luxury hotel management programs of its time; tutelage under an esteemed private luxury lodging investment firm, one of the pioneers of hotel asset management and investment.

Success



Managed a portfolio, in many instances from acquisition to disposition, that drove gross leveraged investment returns over 20% to investors.

Our Experience Shows In Numbers...

50 Years

COMBINED EXPERIENCE

\$1.5B

ASSET VALUE

20%

INTERNAL RATE OF RETURN



WHAT MAKES US SUCCESSFUL

Lennox Capital takes a disciplined and robust approach to lodging investing, driving value for our investors and partners.

PURCHASE DISCIPLINE

We buy right. Focus on basis, in relation to replacement cost, comparable sales, and capital structure. Focus on location, in relation to demand drivers, supply dynamics, and market/regional competition.

LIMIT DEVELOPMENT RISK

Use extensive experience and relationships to build an "A" team for renovations/redevelopment. Approach with conservative underwriting to absorb unexpected conditions.

APPROACH

We manage projects and people effectively by using hands-on, collaborative, and empathetic traits developed over many years of working in all aspects of property management and asset management.

SELECTIVE BRAND & MANAGEMENT

Brand should complement market demand/supply dynamics and exit strategy. A property's success depends largely on its staff and management acumen to drive profitability and exceptional guest loyalty.

GUIDE PROFITABILITY & VALUE

Keep Management focused on key profitability strategies – revenue management, staffing/scheduling, expense management. Focus on smart capital expenditure plan and asset preservation.

REFINANCING & DISPOSITION

Implement successful refinancing and disposition strategies by utilizing our industry relationships and staying abreast of market dynamics.



What We Do

Lennox Capital is singularly focused on lodging investment and management opportunities. We target under-performing hotels and resorts and development opportunities ranging from Select Service Upper-Midscale properties to Full Service Luxury properties, in locations that have strong diverse demand drivers.

Our geographic focus will be limited to North America, favoring markets and market fundamentals in which we have previous experience. Our intention is to self-manage Select Service properties within regional proximity of our office, while contracting with 3rd party management companies for full service as well as properties outside of this radius. The principals of Lennox Capital have spent their careers, almost 50 years collectively, successfully implementing similar investment and management strategies.

SERVICES

Investment Underwriting & Acquisition



A successful investment begins with buying correctly. Lennox Capital's principals take a patient and disciplined approach. Opportunities are sourced through industry relationships developed over the years, and thoroughly scrutinized in a proprietary modeling process. Existing market and operating knowledge contributes to the data for this analysis, along with industry reports and contractor/vendor input. Before choosing to aggressively pursue an opportunity, it is common to have already passed on dozens of other opportunities. We insist on a reasonable basis and right-sized capitalization for a project. There is no compromise on this point, even if it hinders our ability to complete more deals.

Strategic Planning



We begin the underwriting of an investment with the end in mind. During the underwriting process, we discuss the project with brands, managers, architects, designers, contractors, consultants, etc to lay groundwork for what the property will become. It is during this process that we build the foundation for the eventual successful implementation, including pulling together an "A" project team. The detailed approach we take in developing the roadmap for the ultimate branding and operating model for the property reduces investment risk at the front end of the project.

Implementation & Positioning



The principals have managed a countless number of projects over their careers, varying from new construction, adaptive re-use, redevelopment, renovation, repositioning, re-branding and re-design. Their success has centered around the fundamental approach of being "hands-on". The principals began their careers as mid-manager task masters and continue to use those skills in project management, while simultaneously drawing on their years of asset management experience to keep their sight on the big picture. Pat Lowery's experience in Sales and Marketing drive the creative strength of the team. Jeff Barone's experience in Accounting and Finance drive the analytical side. It is these complementary and unique character traits that drive the principals to successful project completion.

Operational Management / Asset Management



A hotel operation must have the right staff to provide strong customer service, which ultimately maximizes occupancy, average rate, profitability, and property value. Lennox Capital was founded in the belief that well-chosen staff will maximize hotel hospitality if they are provided the right resources, training, and incentive. Starting their careers with Ritz-Carlton, the principals are first and foremost service driven, and they draw on their hospitality backgrounds and experience with best practices across multiple brands and operations to contribute to staff development and performance.

Real Estate Asset Management



In addition to driving operating excellence, the principals focus on maximizing real estate value by keeping a keen eye on matters outside of management's operational purview. Once a project has stabilized operationally, incremental value can be realized through excess cash reinvestment into adaptive re-uses of space or additional services. Capital re-structuring can be done to right-size financing leverage, improve investor equity returns, and free up equity capital to deploy on another project. The principals have been intimately involved in complicated projects across the spectrum of financial structuring, freehold, leasehold, and public incentives.

Consulting



Lennox Capital will selectively pursue consulting and management arrangements in special circumstances. While our key focus will be to pursue value-add and development opportunities for ownership, the principals recognize that taking certain engagements can lead to further investment opportunities. And the principals take pride in providing thorough communications and reporting to clients, just as they do for their investors. Services can be contracted on an a la carte basis depending on the client's needs.

CURRENT PROPERTIES

The Ritz-Carlton
St. Louis, Missouri

The principals of Lennox Capital began their careers as mid-managers here, shortly after this luxury hotel opened its doors in 1990 in Clayton, MO. Lennox Capital serves as asset manager for the property on behalf of its private family ownership group. The best in market hotel has 300 guest rooms; 30,000 sf of meeting/event space, and 3 F&B outlets.

PROPERTY CATEGORY
Luxury Hotel

OPENING DATE
1990

GUEST ROOMS
300



CURRENT PROPERTIES

Highland Dallas

Dallas, Texas

The Highland Dallas Curio is a lifestyle boutique hotel that is ideally located across the street from Southern Methodist University and surrounded by some of Dallas' most prestigious neighborhoods. As part of the purchase process, the principals engineered a sale/leaseback which occurred simultaneously with their closing on the asset and cemented immediate strong equity cash on cash returns for ownership. The asset consists of 198 hotel rooms, 26,000 square feet of retail space, 14,000 sf of meeting space, and a full service destination restaurant and bar.

PROPERTY CATEGORY
Luxury Boutique

OPENING DATE
2006

GUEST ROOMS
198





CURRENT PROPERTIES

Courtyard by Marriott

St. Louis, Missouri

Lennox Capital principals led the capitalization, renovation, and re-opening of this historic property, which opened its doors in September 2015. Originally developed in 1929 as Hotel Lennox, the property has retained much of its design and character, operating now as a boutique style customized Courtyard. The only hotel to be physically connected to the St. Louis Convention Center, it has 165 over-sized guest rooms; mid-century modern designed public area spaces; and 1,100 sf of meeting/event space.

PROPERTY CATEGORY
Boutique Hotel

OPENING DATE
2015

GUEST ROOMS
165



CURRENT PROPERTIES

The Westin

St. Louis, Missouri

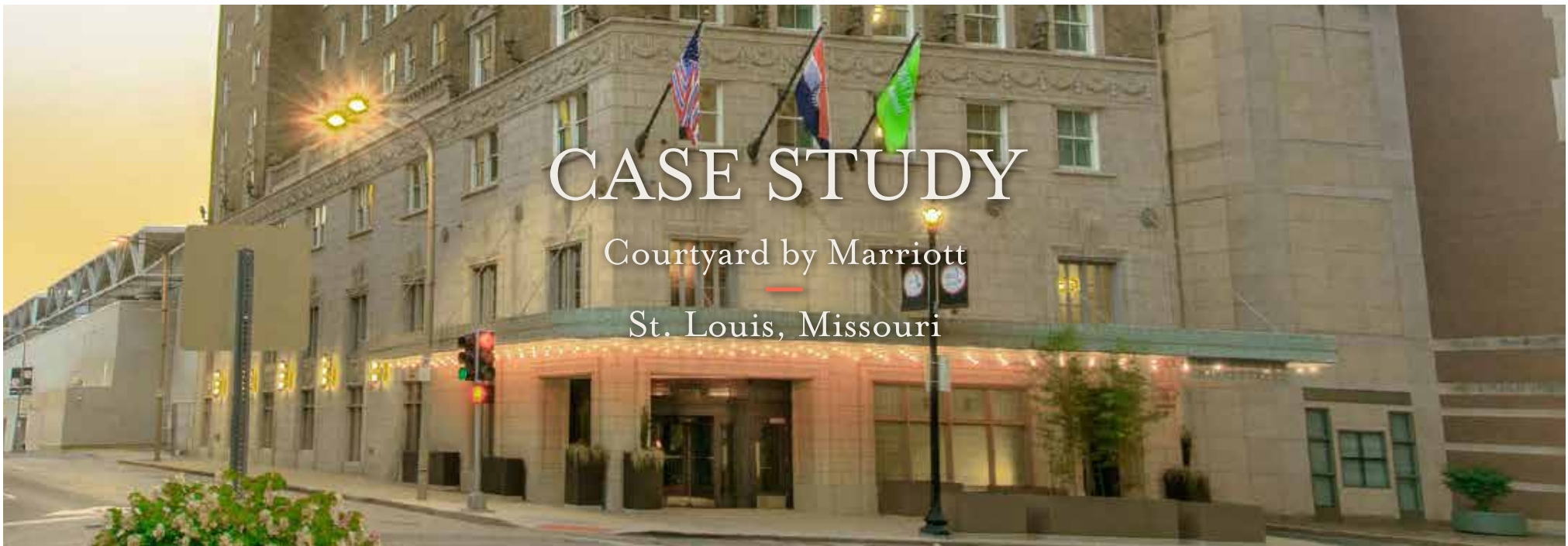
The Westin is the market leader in occupancy, and the best located hotel in the St. Louis downtown CBD directly across the street from the home of the St. Louis Cardinals, Busch Stadium. As part of the purchase process, the principals engineered a ground sale/leaseback which occurred simultaneously with their closing on the hotel and cemented immediate strong equity cash on cash returns for ownership. The hotel consists of 255 guest rooms, with the largest footprint in the market at an average of 600 sf; four-fixture marble bathrooms; 14,000 sf of meeting/event space; and 2 F&B outlets.

PROPERTY CATEGORY
Luxury Hotel

OPENING DATE
2001

GUEST ROOMS
255





CASE STUDY

Courtyard by Marriott

St. Louis, Missouri

In May 2014, Pat Lowery and Jeff Barone acquired the fee interest in the historic Hotel Lennox out of foreclosure (following a failed \$30M+ redevelopment of the building in 2002) after a strenuous two-year negotiation with bond holders and city/state officials. The value add project included amending a TIF, two tax incentive districts, a new long term parking lease, securing 10 year tax abatement, and structuring State and Federal Historic Tax Credits.

Following the acquisition, Barone and Lowery fully redeveloped the shuttered, 24 story Federally registered building. The complete redevelopment included converting the building to the popular Courtyard by Marriott select service brand to optimize the operating model and leverage the brand distribution. Additionally, the hotel was custom designed with a mid-century modern feel to complement the historic elements of the building and provide guests with a more modern, design forward experience. The project was completed on schedule and under budget, and less than 1-year after opening the hotel investors were paid their initial preferred coupon and received their allocated Federal Historic Tax Credit (which represented 39% of their initial investment).

The hotel's location is widely considered one of the best in downtown St. Louis as it is the only hotel that is connected to Convention Center and on Washington Avenue, the popular entertainment and nightlife district. Capitalizing on the hotel's preferred location, superior room product, and optimized operating model and brand, the Courtyard is on track to exceed year one's original underwritten market share and NOI.



CASE STUDY

Courtyard by Marriott

St. Louis, Missouri
continued

OPPORTUNITY

- Complicated, multi-party transaction that involved a foreclosure, amending a TIF, and two incentive districts
- Extremely well located as the only hotel in St. Louis connected to the Convention Center
- Federally registered historic building that had received a \$30M+ renovation in 2002

VALUE ADDED

- Off market transaction through Sponsor's strong relationship with Seller's representative
- Successful structuring of Federal and State Historic tax credits to materially reduce the project's basis
- Fully redeveloped the building on schedule and under budget
- Optimized the operating model and brand with Courtyard by Marriott
- Investors paid their preferred coupon and received their allocated Federal Historic Tax Credit less than 1-year after opening.

LOCATION

Downtown/Convention Center

DESCRIPTION

Boutique Hotel

FACILITIES

165 rooms, Bistro, Fitness Ctr

ACQUIRED

May-2014

TOTAL INVESTED

\$22 million

EQUITY INVESTED

\$7.5 million

GROSS RETURN

Projected in excess of 20%+

CASE STUDY

The Carlyle
New York, New York

OPPORTUNITY

- Under-marketed historical property
- Operated by an unsophisticated absentee owner
- Hotel in need of a renovation
- Unencumbered by brand and management
- Excess real estate to monetize

VALUE ADDED

- Successful rebranding and instilled finer operating procedures
- Repositioned guestrooms and public areas through complete renovation
- Purchased and renovated coop units to add to hotel inventory

LOCATION

Upper East Side, Manhattan

DESCRIPTION

Best in Market, Luxury Hotel

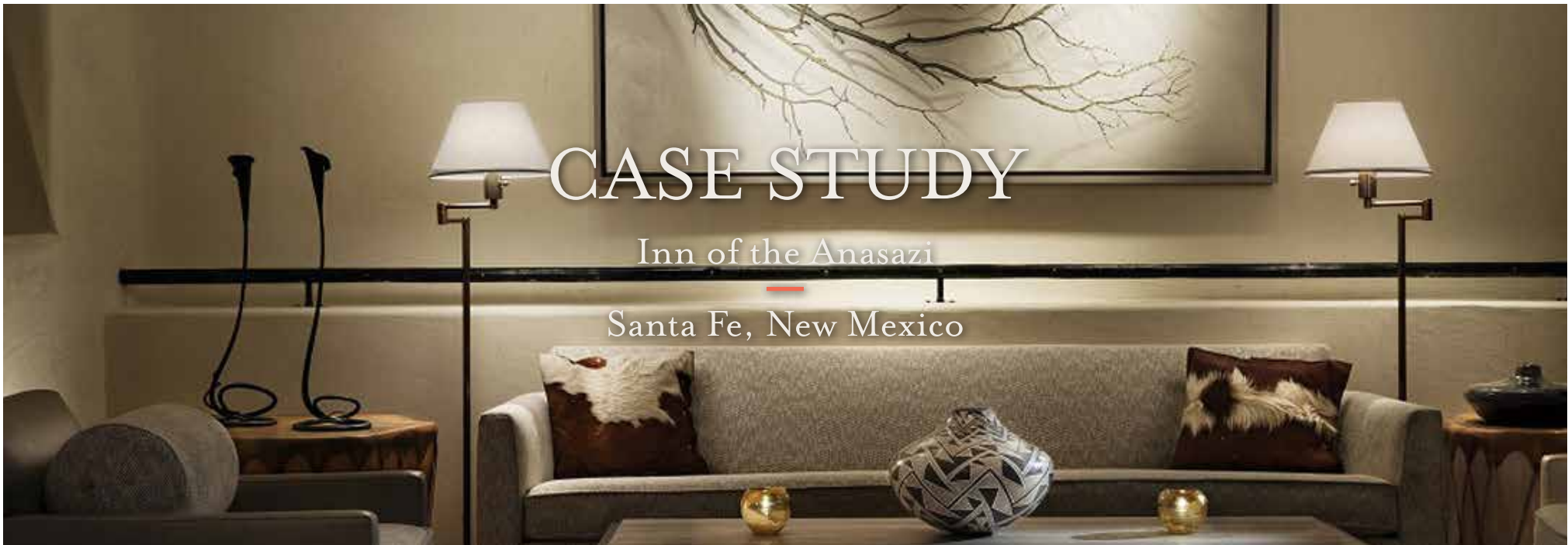
FACILITIES

187 guest rooms within a coop structure, 15,000 sf retail, 140-space garage

ACQUIRED / SOLD

April 2001 / July 2011





CASE STUDY

Inn of the Anasazi

Santa Fe, New Mexico

OPPORTUNITY

- Best in market hotel and location
- Lack of sophisticated sales and marketing capabilities due to independent management
- Hotel in need of a renovation
- Unencumbered by brand and management

VALUE ADDED

- Successful rebranding and implemented stronger sales tactics
- Repositioned guestrooms and public areas through complete renovation
- Capitalized on exit by selling unencumbered of brand and management to strategic trophy buyer

LOCATION

Downtown Santa Fe just off the Plaza

DESCRIPTION

Best in Market, Luxury Hotel

FACILITIES

57 guest rooms, 1,100 sqft of mtg space

ACQUIRED / SOLD

October 2005 / July 2011



PRIOR AFFILIATE PROPERTIES

LCP principals have managed a myriad of hotel & resort projects all over the world.

- Fairmont Dallas
- Fairmont Miramar
- The Roosevelt
- Fairmont San Francisco
- Fairmont San Jose
- Four Seasons Austin
- Park Hyatt Aviara
- Four Seasons Biltmore
- Four Seasons Houston
- Four Seasons Nevis
- Four Seasons Toronto
- Park Hyatt Sydney
- The Carlyle
- Rosewood Inn of the Anasazi
- Little Dix Bay
- Rosewood Mansion on Turtle Creek
- Hotel Crescent Court
- Intercontinental Kansas City

Fairmont
HOTELS & RESORTS



THE RITZ-CARLTON

Marriott.
HOTELS & RESORTS



FOUR SEASONS
Hotels and Resorts

HYATT

ROSEWOOD
HOTELS & RESORTS



TESTIMONIALS

“I have witnessed the maturation and growth of Lennox Capital principals over the course of their careers, and am delighted to assist them as they begin what I’m sure will be a successful new lodging platform.”

Lewis Wolff, Co-Founder and Chairman of Maritz Wolff & Co,
Owner and Managing Partner of the Oakland Athletics.

“I have been impressed with the principals’ breadth of asset management skills in overseeing my family’s property investment.”

Bruce Karsh, Co-Chairman and CIO of Oaktree Capital Management

“Having worked with the principals of Lennox Capital over many years, they have the rare ability to effectively manage the minute details while keeping sight of the big picture on complicated lodging projects.”

Philip Maritz, Co-Founder and President of Maritz Wolff & Co.

OUR TEAM

Get In Touch



Patrick J. Lowery

Mr. Lowery has served in various lodging management and investment roles over the course of his 25-year career. In 2016, as part of a restructuring and reorganization of Maritz Wolf & Co. ("MW"), Mr. Lowery co-founded Lennox Capital Partners to assume the responsibility of certain projects from MW including the asset management of the Ritz-Carlton St. Louis, as well as overseeing the ownership and property management of the Courtyard by Marriott St. Louis at the Convention Center. Additionally, through LCP, Mr. Lowery will seek value-add lodging opportunities with investment profiles complementary to his prior extensive experience with MW, where he spent over 16 years as an asset/investment manager. His responsibilities at MW included taking a lead role in the acquisition, management, development, financing, and disposition of lodging investments. Over the course of his career, Mr. Lowery has overseen over \$1.5 billion in investments. Concurrently with his role at MW, Mr. Lowery served from 2006-16 as Director of Broadreach Capital Partners, a real estate development and management firm based in northern California with just under \$3 billion in assets under management. Prior to joining MW, Mr. Lowery worked in the reservation and sales departments at the Ritz-Carlton, St. Louis, as well as corporate revenue management at Budget Rent A Car. Mr. Lowery has served on the Four Seasons, Houston Condominium Association Board and the development board of Epworth Children and Family Services. Mr. Lowery holds a Bachelor of Science Degree in Marketing from the University of Tulsa and received his M.B.A. from the University of Pittsburgh.



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OUR TEAM

Get In Touch



Jeffrey J. Barone

Mr. Barone has served in various lodging management and investment roles over the course of his 25-year career. In 2016, as part of a restructuring and reorganization of Maritz Wolff & Co. ("MW"), Mr. Barone co-founded Lennox Capital Partners to assume the responsibility of certain projects from MW including the asset management of the Ritz-Carlton St. Louis (in which he is also an investment partner), as well as overseeing the ownership and property management of the Courtyard by Marriott St. Louis at the Convention Center. Additionally, through LCP, Mr. Barone will seek value-add lodging opportunities with investment profiles complementary to his prior extensive experience with MW, where he spent over 18 years as an asset/investment manager. His responsibilities at MW included taking a lead role in the acquisition, management, development, financing, and disposition of lodging investments. Over the course of his career, Mr. Barone has overseen over \$1.5 billion in investments. Concurrently with his role at MW, Mr. Barone served from 2006-16 as Director of Broadreach Capital Partners, a real estate development and management firm based in northern California with just under \$3 billion in assets under management. Prior to joining MW, Mr. Barone worked in the finance/accounting department of the Ritz-Carlton, St. Louis for 7 years and was the youngest in the company to hold the position of Controller at that time. Mr. Barone has served on Hotel Carlyle co-operative corporate board, served on the board of Dolce Hotels and Resorts, and serves as Treasurer/Secretary of the St. Louis Regional Convention and Visitor's Commission. Mr. Barone has served on the board of Ronald McDonald House Charities of St. Louis and the development board of Epworth Children and Family Services. Mr. Barone holds a Bachelor of Arts Degree in Economics and an Accounting Minor from Washington University in St. Louis.



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