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## Host Hotels & Resorts, Inc. Acquires Hyatt Regency Austin

BETHESDA, MD; March 17, 2021 – Host Hotels & Resorts, Inc. (NASDAQ: HST) (the “Company”), the nation’s largest lodging real estate investment trust (“REIT”), today announced that it has acquired the fee simple interest in the 448-room Hyatt Regency Austin in Austin, Texas for approximately \$161 million in cash. The purchase price represents a 10.0% capitalization rate and an 8.8x EBITDA multiple based on 2019 actual results<sup>(1)</sup> and reflects a 20-25% discount to pre COVID-19 pricing based on comparable publicly-disclosed hotel sales.<sup>(2)</sup> Hyatt will continue to manage Hyatt Regency Austin under a long-term management agreement.

James F. Risoleo, President and Chief Executive Officer, said, “We are excited to have executed an off-market, opportunistic acquisition of a high-quality hotel in one of the nation’s fastest growing cities, which continues to be a top beneficiary of corporate and people relocation. As travel resumes, we expect the well-located Hyatt Regency Austin to benefit from a strong rebound led by Austin’s multiple leisure and business demand drivers that are anchored in world-renowned music festivals, sporting events and blue-chip corporations. Additionally, we are encouraged by the reported contraction in Austin’s hotel construction pipeline relative to pre-pandemic levels and by the market’s significantly lower hotel operating costs compared to other markets. We expect this acquisition to raise our EBITDA growth profile, while positively enhancing our geographic diversification by adding a market with a thriving economy and a young and vibrant population.”

Risoleo continued, “Our long-standing relationships and ability to execute quickly and with existing liquidity, provided us the opportunity to acquire this hotel ahead of a planned foreclosure auction at a very attractive yield based on 2019 performance. Our goal is for the Hyatt Regency Austin to exceed 2019 levels of revenues and EBITDA on a stabilized basis as Hyatt leverages Host’s data-driven asset management and enterprise analytics platforms to drive incremental expense reductions and productivity improvements at the hotel.”

Situated on nearly six acres in a park-like setting along Lady Bird Lake, this waterfront hotel commands scenic views and is near the vibrant South Congress District with easy access to numerous leisure attractions, including the South Congress entertainment area, Zilker Park, and the Colorado River which offers recreational water activities.

The 670,000 square-foot property had a rooms renovation in 2015 and a meeting space expansion in 2015 and renovation in 2018. The hotel offers 45,000 square feet of total meeting space (including ballrooms of 14,000 and 10,000 square feet), two food and beverage outlets, an outdoor pool, and a fitness center.

For additional information on the acquisition and the Company’s February 2021 preliminary topline results, please refer to the Hyatt Regency Austin investor presentation located in the [investor presentation](#) section of the Company’s website.

### ABOUT HOST HOTELS & RESORTS

Host Hotels & Resorts, Inc. is an S&P 500 company and is the largest lodging real estate investment trust and one of the largest owners of luxury and upper-upscale hotels. The Company currently owns 76 properties in the United States and five properties internationally totaling approximately 46,800 rooms. The Company also holds non-controlling interests in six domestic and one international joint ventures.

- 1) The purchase price equates to a multiple of 11.8x and a capitalization rate of 8.5% based on 2019 pro forma GAAP net income. Pro forma net income includes depreciation expense of \$5 million, which is excluded from EBITDA and net operating income. The pro forma adjustment to net income is to account for Host’s ownership, which results in a different 2019 depreciation expense.
- 2) Based on the sales of three comparable hotels in Austin between 2014 and 2019.