



SOURAV GHOSH
Chief Financial Officer
(240) 744-5267

JAIME MARCUS
Investor Relations
(240) 744-5117
ir@hosthotels.com

Host Hotels & Resorts, Inc. Acquires Baker's Cay Resort Key Largo for \$200 Million

BETHESDA, MD; July 6, 2021 – Host Hotels & Resorts, Inc. (NASDAQ: HST), the nation's largest lodging real estate investment trust (the "Company"), today announced that it has acquired the fee simple interest in the 200-room Baker's Cay Resort Key Largo, Curio Collection for approximately \$200 million in cash. The purchase price represents an estimated 6.2% capitalization rate and a 14.5x EBITDA multiple based on 2021 property forecasts.⁽¹⁾

James F. Risoleo, President and Chief Executive Officer, said, "We are pleased to announce the off-market acquisition of our first hotel in the Florida Keys which we believe will improve the EBITDA growth profile of our portfolio. After a complete \$63 million renovation and repositioning in 2019, Baker's Cay shows like a new resort. Additionally, the Florida Keys market benefits from excellent supply-demand dynamics owing in part to strict development ordinances which have led to the highest 2019 upper-upscale RevPAR of any market in the US. We expect this resort to deliver over \$300 of RevPAR and \$69,000 of EBITDA per key⁽¹⁾ in 2021, ranking eighth on both metrics in Host's 2019 pro forma portfolio."

Risoleo continued, "As a result of our prudent capital allocation decisions over the past few years, our strong balance sheet, and our deep relationships in the industry, we were able to acquire another off-market, high-quality hotel in the sunbelt. This transaction brings our total hotel acquisitions so far in 2021 to nearly \$1 billion with a blended 14.3x estimated EBITDA multiple."⁽²⁾

Situated on 13 acres of irreplaceable beachfront land on Key Largo's Gulf Coast, the property provides guests with the benefits of a Florida Keys resort in a location just 65 miles from Miami International Airport. The property offers 26,000 square feet of meeting space, including a 6,900 square foot event lawn and four food and beverage outlets. Amenities include a swimmable private beach, spa, salon, dock, fitness center, and two outdoor pools.

For additional information on the acquisition and the Company's May 2021 preliminary topline results, please refer to the Baker's Cay Resort Key Largo 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 78 properties in the United States and five properties internationally totaling approximately 47,400 rooms. The Company also holds non-controlling interests in six domestic and one international joint venture.

(1) Consistent with industry practice, we calculate the capitalization rate as the ratio of property's net operating income to its purchase price and the EBITDA multiple as the ratio of the purchase price to the property's EBITDA. Both net operating income and EBITDA are non-GAAP measures. The comparable GAAP metric to capitalization rate utilizing 2021E net income is the ratio of net income to the purchase price of 4.4%. The comparable GAAP metric to EBITDA multiple is 2021E ratio of the purchase price to net income (net income multiple) of 23x. 2021E net income per key is \$43,000. The property's 2021E net income is \$8.7 million and the difference between net income and EBITDA is depreciation expense of \$5.1 million. The difference between EBITDA and net operating income is \$1.4 million for the annual contractual reserve requirements for renewal and replacement expenditures. These are calculated on a pro forma basis to account for Host's ownership. Our ability to achieve these results is subject to various uncertainties and actual results may be materially different.

(2) The acquisition multiple is based on 2019 operations except for Baker's Cay, which is based on 2021 forecast operations, as the property was under renovation and closed for part of 2019. The acquisition estimated net income multiple is 24x. Net income for the acquisitions is \$42.5 million and the difference between net income and EBITDA is depreciation expense of \$27.3 million.