

Host Hotels & Resorts Enters into Agreement to Acquire Turtle Bay Resort in Hawaii

Host intends to flag the hotel with The Ritz-Carlton brand at closing

BETHESDA, MD; May 29, 2024 — Host Hotels & Resorts, Inc. (NASDAQ: HST) (“Host” or the “Company”), the nation’s largest lodging real estate investment trust, today announced that it entered into an agreement to acquire the fee simple interest in the 450-room Turtle Bay Resort (the “Resort,”) on the North Shore of Oahu, Hawaii, including a 49-acre land parcel entitled for development, (the “Land Parcel”) for approximately \$680 million, net of key money. The purchase price allocation is expected to be \$630 million for the Resort and \$50 million for the Land Parcel, subject to final appraisal. The acquisition price represents a 16.3x EBITDA multiple or a cap rate of approximately 5.3% on the Resort’s 2024 estimated results¹. The purchase is subject to customary closing conditions and the transaction is expected to close in late July of 2024.

The Resort recently benefitted from a transformative renovation and was closed from March of 2020 to June of 2021. The renovation included the guestrooms and bungalows, lobby, pools, restaurants, retail, meeting space, spa, a new club lounge, building systems, as well as an updated exterior and arrival experience. It is being acquired fully unencumbered of brand and management, and at closing, Host intends to transition management to Marriott and flag the hotel with The Ritz-Carlton brand. In connection with the rebranding, Marriott provided key money and favorable modifications on several existing management agreements. Before taking into account the significant upside that is expected from The Ritz-Carlton branding, the Resort is expected to be one of Host’s top assets based on estimated full year 2024 results with an expected RevPAR of \$570, Total RevPAR of \$980, and EBITDA per key of \$86,000². After ramping up from the recent renovation and the rebranding, the Company expects the Resort to stabilize between approximately 10-12x EBITDA³ in the 2027-2029 timeframe.

¹ Consistent with industry practice, Host calculates the EBITDA multiple as the ratio of the purchase price to the property’s EBITDA and the capitalization rate as the ratio of property’s net operating income to its purchase price. The purchase price was calculated net of key money and the amount allocated to the Land Parcel. EBITDA and net operating income are non-GAAP measures. The comparable GAAP metric to EBITDA multiple is the ratio of the purchase price to net income. The ratio of the purchase price to 2024 net income is 29x based on expected net income of \$22 million. The comparable GAAP metric to capitalization rate utilizing 2024 estimated net income is the ratio of net income to the purchase price which is 3.4%. The difference between estimated 2024 net income and EBITDA is depreciation expense of \$17 million. The difference between EBITDA and net operating income is \$5 million for the annual contractual reserve requirements for renewal and replacement expenditures for 2024.

² The comparable GAAP metric to EBITDA per key is net income per key, which is \$48,000 based on 2024 forecast net income of \$22 million.

³ The ratio of the purchase price to stabilized net income is 14x based on forecast stabilized net income of \$44 million. The difference between stabilized net income and EBITDA is depreciation expense of \$17 million. Stabilized results are illustrative only. Our ability to achieve the 2027-2029 stabilized results is subject to various uncertainties and actual results may be materially different.

James F. Risoleo, President and Chief Executive Officer, said, “We are thrilled to enter into an agreement to acquire Turtle Bay Resort, which will further expand and diversify our already strong presence in Hawaii. Oahu is a high demand leisure destination with consistently high occupancy, an internationally diverse demand base, and high barriers to entry, resulting in slightly negative supply growth historically and essentially no anticipated near-term supply. In addition, because of the Resort’s recent transformational renovation, we do not expect meaningful capital expenditures in the near term. We look forward to working with employees and local partners to build upon the Resort’s preeminent position on the North Shore of Oahu. With the planned Ritz-Carlton rebranding, we believe the Resort will generate outsized growth as it stabilizes, further elevating the EBITDA growth profile of our portfolio.”

The Resort is situated in a unique location on 1,180-acres on the North Shore of Oahu with five miles of beach and coastline views. It features 450 rooms, all with ocean views, including 42 bungalows with direct beach access, a separate check-in, and a private pool. Other amenities include 18,000 square feet of indoor meeting space, a club lounge, six food and beverage outlets, seven retail spaces, a spa, fitness center, two golf courses, seven beaches, four resort pools, tennis and pickle ball courts, an equestrian center, a working farm, and access to 12 miles of oceanfront trails. The 49-acre oceanfront Land Parcel is entitled for development, and similar to the Company’s strategy at other properties, Host intends to enhance its value over the long term.

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 74 properties in the United States and five properties internationally totaling approximately 42,700 rooms. The Company also holds non-controlling interests in seven domestic and one international joint ventures.

FORWARD LOOKING STATEMENTS

Note: This press release contains forward-looking statements within the meaning of federal securities regulations. These forward-looking statements are identified by their use of terms and phrases such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “should,” “plan,” “predict,” “project,” “will,” “continue” and other similar terms and phrases, including references to assumptions and forecasts of future results. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results to differ materially from those anticipated at the time the forward-looking statements are made. These risks include, but are not limited to: risks that we may not be able to close the transaction based on failure of either party to meet required closing conditions; general economic uncertainty in the Oahu market and the possibility that future growth in this market will not meet current expectations or the stabilized results we expect to achieve; other factors such as natural disasters and weather that will affect occupancy rates at the property and the demand for hotel products and services; the impact of economic and geopolitical developments on lodging demand and the Oahu market in particular; operating risks associated with the hotel business; ; risks that hotel supply in the Oahu market will increase greater than expected or will have a larger impact on occupancy at the property than currently forecasted; transition risks associated with our changing the manager of the property and the risk that the new manager will not be able to achieve the results we expect them to achieve; our ability to maintain our properties in a first-class manner, including meeting capital expenditure requirements; the effects of hotel renovations on our hotel occupancy and financial results; our ability to compete effectively in areas such as access, location, quality of accommodations and room rate structures; risks that the acquisitions of the property and any new developments at the property may not perform in accordance with our expectations; and other risks and uncertainties associated with our business described in the Company’s annual report on Form 10-K, quarterly reports on Form 10-Q and

current reports on Form 8-K filed with the SEC. Although the Company believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that the expectations will be attained or that any deviation will not be material. All information in this release is as of the date of this release and the Company undertakes no obligation to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations.