

Hilton Garden Inn Jackson



OPPORTUNITY:

Peachtree became aware of a land parcel available for sale in the Shoppes at the Columns shopping center in Jackson, TN. The market benefits from a strong healthcare sector and the retail shopping center sits on Vann Drive, the road with the highest traffic count in the county. In 2014, the Hilton Garden Inn brand earned the highest guest satisfaction ratings for upscale hotels in the country.

STRATEGY:

PHG utilized its comprehensive in-house experience with hotel development and management to assess realistic targeted investment risks and returns. The team reviewed the design timeline, estimated the cost of construction, evaluated financial projections in line with Peachtree's portfolio, and operational capabilities as part of a wholistic analysis. The investment team negotiated and closed on the land purchase in 2015. PHG enlisted the dedicated development team to secure the Hilton Garden Inn franchise, coordinate the relevant design consultants, and oversee the construction process.

RESULTS:

Peachtree built the hotel for a total price of \$14.7 million. The property opened in December 2017 and ranked #1 in RevPAR for the Comp Set in 2019.

- The hotel's 2019 ADR index was 118.4 and it ranked #1 every month in ADR.
- 2019 RevPAR Actuals was above underwriting by \$13.62 (+14.3%).
- 2019 RPI Actuals was above underwriting by 7.9 (+7.1%).