

HOSPITALITY CONSULTANCY





Incisive strategies,
total capability and a
research led approach

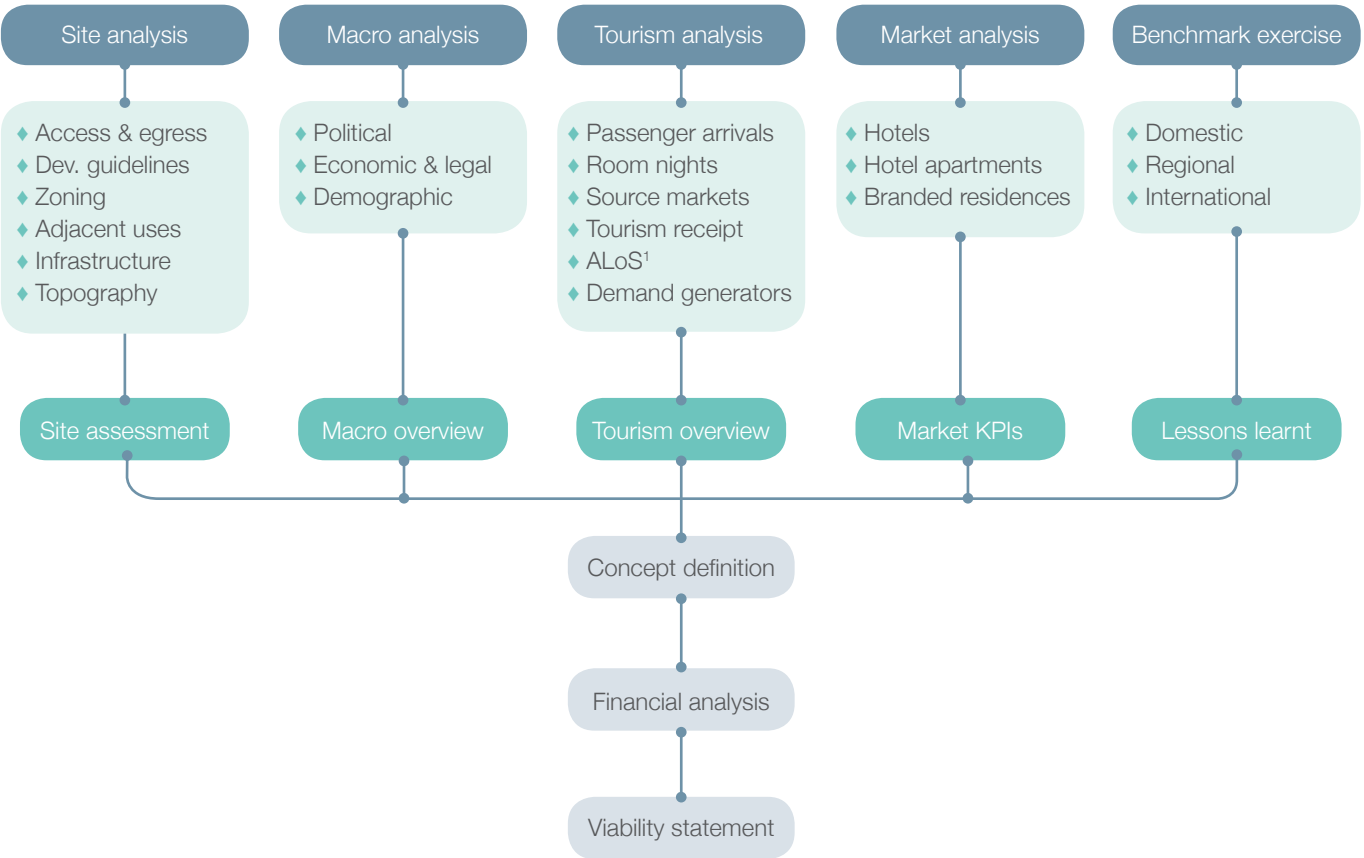
OUR SERVICES

Our hospitality real estate team is well versed to support you in pursuing your investment strategy as well as in developing hospitality and mixed-use real estate projects.

Development consultancy	Valuations	Investment	Asset management
<ul style="list-style-type: none">◆ Market entry strategies◆ Highest & best-use◆ Development recommendations◆ Financial feasibility◆ Operator selection	<ul style="list-style-type: none">◆ Acquisition◆ Disposal◆ Financial reporting◆ Bank finance◆ Fund raising◆ Fire insurance	<ul style="list-style-type: none">◆ Investment strategy◆ Asset selection◆ Due diligence◆ Sales / purchase	<ul style="list-style-type: none">◆ Operational review◆ Strategic planning◆ Performance monitoring◆ Due diligence◆ Capital program planning

DEVELOPMENT CONSULTANCY

We provide development strategy recommendations and master plan reviews for a wide range of hospitality and mixed-use real estate projects, typically advising on development mix, market positioning, and target markets. As such we ensure that the concept is aligned with the future market situation while maximising the owner's returns.



¹ - Average Length of Stay

Based on the project's location and our market findings we recommend a competitive market positioning to minimise development risks and enhance returns. Moreover, we recommend on the optimum mix in terms of number of keys by room type, room sizes, facilities and amenities. If required, we can test a number of scenarios for the project including, but not limited to the following concepts:

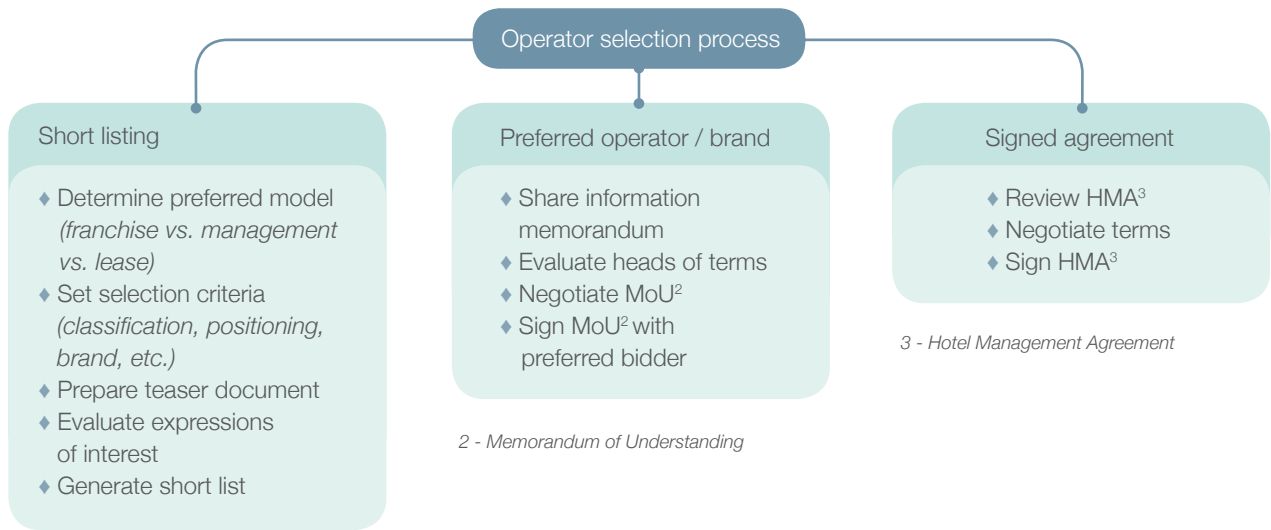
- ◆ Branded residences
- ◆ Sale & leaseback
- ◆ Fractional ownership

The market and financial feasibility study based on the co-developed concept between the client and Knight Frank provides an independent and bankable document for the purpose of raising finance. This report comes with a return analysis per component including IRR, NPV, payback period and ROI. In addition, we run break-even and sensitivity analyses on key variables such as development cost, occupancy and average daily rates (ADR).

With the main focus being on primary research, Knight Frank undertakes in-depth interviews with key industry experts to gain market intelligence relevant to the project. Interviews are commissioned with the likes of hotel general managers, airport representatives, developers of competing properties, cost consultants, municipal planners and tourism authorities.

Operator selection

Virtually all hotel management and franchise agreements are drafted by operators. Contracts are rarely transparent and as such do not tend to benefit the project owner or investor. At Knight Frank, our professionals will assist in mitigating any potential pitfalls whilst aiming for fair reciprocity, resulting in a higher capital value for your property.



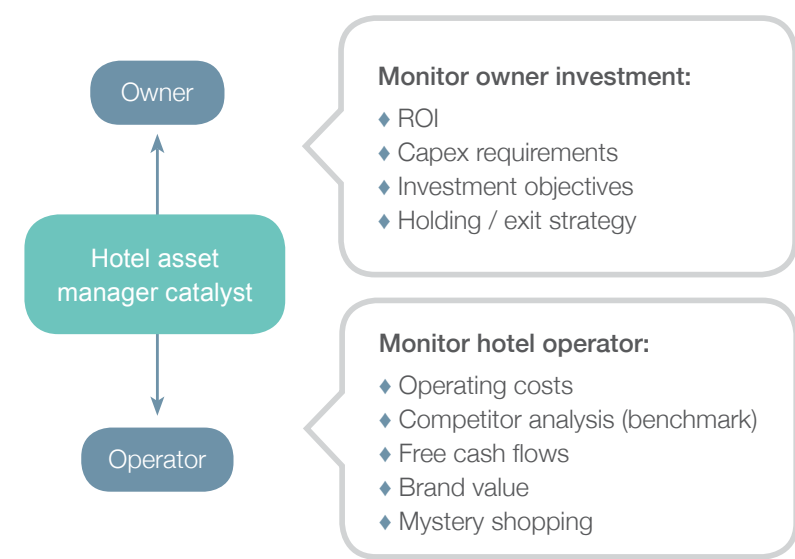
VALUATIONS

Knight Frank provides professional RICS Red Book compliant valuations for all purposes and for all types of hospitality assets. Understanding a hotel's existing and potential performance, plus asset value is crucial for developers, owners and investors alike to allow informed decision making throughout the lifecycle of any hospitality asset.

In the past 12 months,
Knight Frank's
valuation team valued
over US\$ 9.5 billion
worth of hospitality assets
across the MENA region

ASSET MANAGEMENT

The main objective for the hotel asset manager is to aid hotel owners to realise the full potential of their investments through a continuous process of value creation and enhancement. This is achieved through optimising the hotel's operational, financial and capital efficiencies to maximise profits and investment returns, benefiting both owner and operator.



Knight Frank’s asset management services are modular and can be commissioned separately. Multiple services may run concurrently if Knight Frank acts as Asset Manager on an ongoing long term basis.

Services offered:

- ♦ Operational and financial review
- ♦ Strategic planning and development of annual business plans
- ♦ Loan performance monitoring and compliance
- ♦ Capital program planning and analysis
- ♦ Sales / disposition and hotel refinancing (ad hoc services)
- ♦ Due diligence (acquisitions) / operator selection (ad hoc services)

Third-party managed hotels are at risk of under performance - the expertise of an asset manager is brought in to maximise the potential for the owner.

Potential dilemmas without hotel asset management:

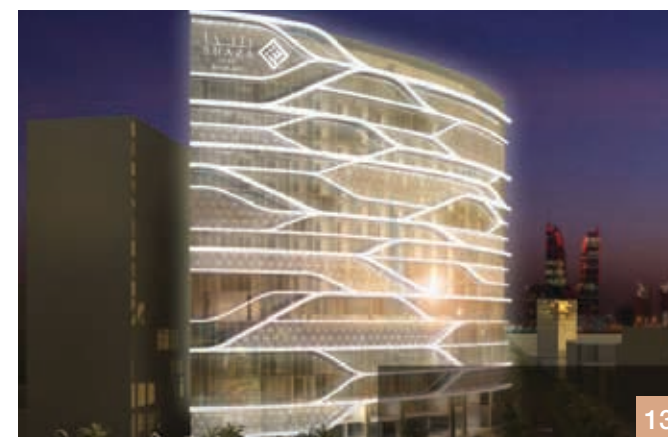
- ♦ Operators focus their best resources for their own hotels or those that offer better terms
- ♦ Reduced transparency in monitoring revenue, cost, and operations management
- ♦ Poor maintenance and FF&E spend resulting in higher renovation costs
- ♦ Enhanced brand value at the expense of owner ROI
- ♦ Management does not provide key information
- ♦ Hotel is used as a “training hotel” for operator
- ♦ Hidden charges (in operations costs)
- ♦ Overspending on refurbishments

TRACK RECORD



1 Beach Hotel
Dubai Marina, Dubai, UAE
Instructed to undertake a financial feasibility assessment, including development cost sensitivity analysis, in addition to recommendations on the facilities and room mix / count.

2 Yas Island
Abu Dhabi, UAE
Knight Frank was briefed to provide advice on the project's development strategy as well as an assessment of the business case for each component.



3 Hotel Portfolio Review
Dubai, UAE
Through the use of inspections and interviews, Knight Frank was instructed to identify the hotel's KPI's based on a SWOT analysis, portfolio review and life cycle assessment.

4 Tahlia Street
Jeddah, KSA
Knight Frank was engaged to assess a number of development options which took into consideration the sites development regulations and key market intelligence.

5 Heart of Sharjah
Sharjah, UAE
Knight Frank provided market research and sector analysis of the site, including unit numbers and sizes, component mix, benchmarking and financial viability.

6 Yenkit
Muscat, Oman
Knight Frank recommended on an optimal product mix, including hospitality and leisure components, as well as a financial feasibility assessment.

7 Rollout Strategy
Mumbai, India
Instructed to devise a strategy for the rollout of 10 new lifestyle hotels.

8 One Bahrain
Manama, Bahrain
We were instructed on behalf of an operator to undertake a due diligence, which included a site appraisal, financial strength of the project owner and the reputation amongst its lenders, amongst other items related to development risk.

9 Portfolio of Hospitality and Leisure Assets
Abu Dhabi, UAE
Instruction included the valuation and strategic review of a large portfolio comprising of 11 luxury hotels, two golf courses / clubs and existing commercial assets and land banks.

12 Asset Management
Mumbai, India
Comprehensive asset management engagement for an internationally branded upscale airport hotel.

10 Portfolio of Hospitality and Leisure Assets
Dubai, UAE
Knight Frank undertook the valuation of a portfolio of 13 luxury hotels and golf courses / clubs across Dubai, including Hyatt, Le Meridien and hotels managed by Jumeirah.

13 Shaza Hotel
Bahrain Bay, Bahrain
Knight Frank undertook the valuation of a proposed 250 key hotel (with 30 luxury apartments) to be operated under the Shaza brand.

11 The Wave
Muscat, Oman
Instructed to review and reposition the hotels, resulting in a more diversified hospitality offering and a reduced room count to enhance profitability.

14 Equestrian Themed Resort
Abu Dhabi, UAE
Instructed to develop a concept which included a race course, polo pitches and other equestrian elements.



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15 Marketing Plan
Mumbai, India
Creation of a marketing plan with the aim of developing a new market penetration strategy and optimising RevPAR.

16 Historic District
Dubai, UAE
Knight Frank was instructed to provide real estate market intelligence and development recommendations.

17 Maqta Souq
Abu Dhabi, UAE
Engaged to test existing concepts and provide development advice on an optimum investment strategy, whilst taking into account minimum build obligations.

18 Jebel Akhdar Resort
Jebel Akhdar, Oman
Knight Frank provided a financially viable development strategy which formed the basis for the project's master plan.

19 Al Marjan Island
Ras Al Khaimah, UAE
Instructed to assess three different development options and configurations for a mixed-use hospitality complex.

20 Fairmont Marina Resort and Residences
Abu Dhabi, UAE
Commissioned to provide a bankable financial feasibility study with the purpose of raising additional bank finance.

WITH
417
OFFICES
IN **58**
COUNTRIES

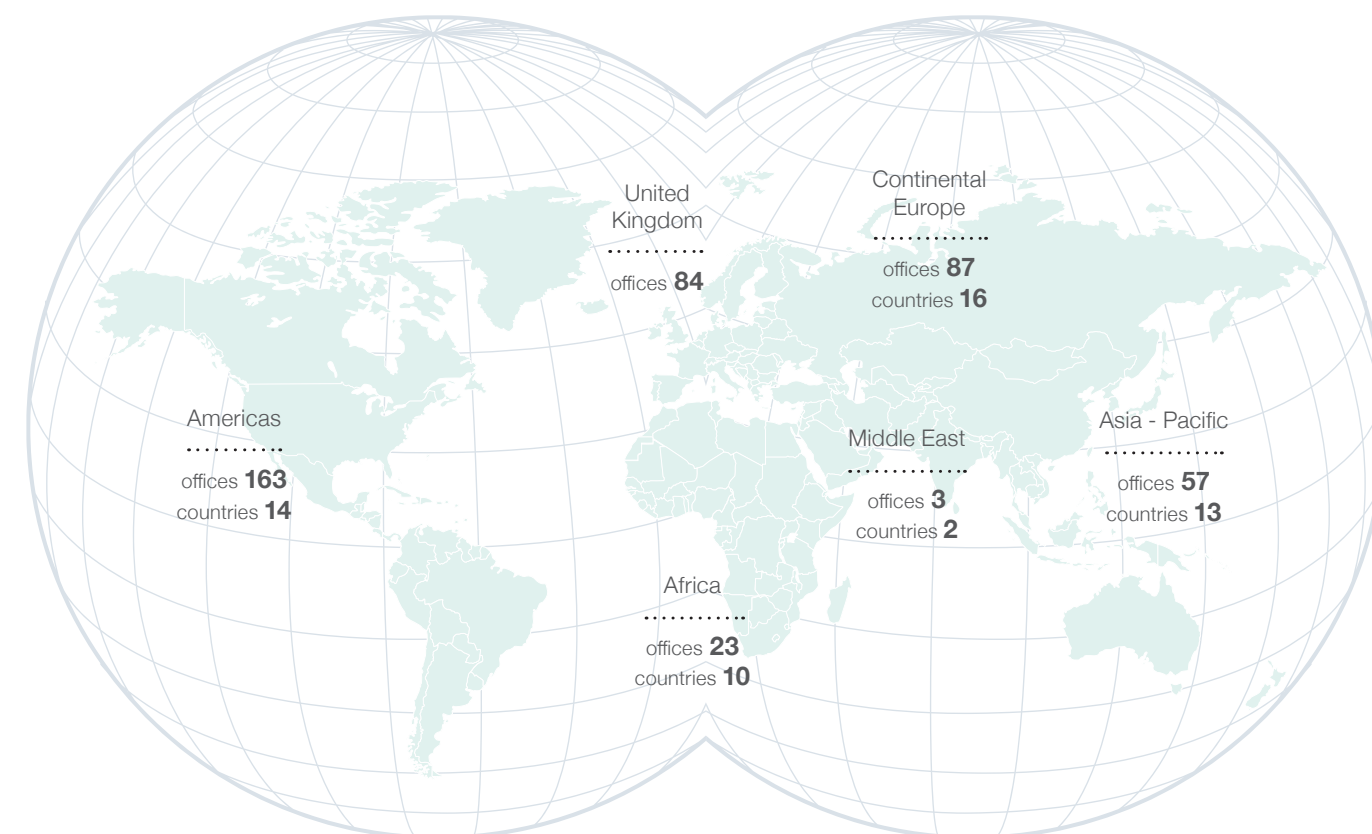
The four ingredients which set Knight Frank apart are our independence, our global network and our commercial and residential platforms.

Headquartered in London, Knight Frank has more than 13,000 people operating from over 400 offices across 58 countries. These figures include Newmark Grubb Knight Frank in the Americas, and Douglas Elliman Fine Homes in the USA.

Being a partnership allows us to put our clients first, we focus on giving them the best advice and putting long term relationships before short term wins. Trust and integrity are everything.

Working with private individuals, developers, investors, banks, corporate occupiers and public sector bodies we provide a range of agency, investment and professional consultancy services which are supported by our dedicated market research teams.

The combination of our people, research and technology has helped us grow our enviable track record and that's why clients come back to us for their personal and professional property requirements.



OUR PEOPLE

Our team works with our international network to ensure we are up to date on all market trends and best practice.

HOSPITALITY & LEISURE: DEVELOPMENT CONSULTANCY & RESEARCH

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OUR SERVICES

- ♦ Valuation
- ♦ Commercial Leasing
- ♦ Hospitality Consultancy
- ♦ Capital Markets
- ♦ Industrial and Logistics
- ♦ Development Consultancy & Research
- ♦ Property Asset Management
- ♦ Project Monitoring
- ♦ Retail Advisory & Consultancy
- ♦ UAE Residential Sales
- ♦ International Residential Sales
- ♦ Project Marketing: MENA

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