



LOWE ACQUIRES VACATION RENTAL MANAGEMENT BUSINESS FROM HYATT

CoralTree Hospitality to Assume Operations of Rental Units, Resort Facilities and Homeowners Associations in Premier Leisure Destinations

LOS ANGELES – September 28, 2023 - Lowe, a leading national real estate investor, developer and manager, has acquired Hyatt’s vacation rental management business. The business consists of management agreements for individually-owned resort residences across 36 properties in Colorado and Hawaii, as well as many of the properties’ homeowners associations (HOAs). Lowe’s hospitality management subsidiary, CoralTree Hospitality Group, will assume management of the rental units, HOAs and resort properties included in the transaction. The management business, currently known as Destination Residential Management, will be rebranded by Lowe and CoralTree.

“Our hospitality management business was formed in 1973 to provide residential resort management services. This transaction represents a welcome return for Lowe and CoralTree to the roots of our business and to familiar markets where we have been active for decades,” said Rob Lowe co-CEO of Lowe. “Lowe and CoralTree are committed to providing the same personalized service, meticulous attention to detail and spirit of hospitality that defined the company’s vacation rental management approach from the beginning.”

Interest in resort residence rental has increased dramatically over recent years, fueled by lifestyle changes, the desire for extended stays and the ability to work remotely from anywhere. “This is the ideal time to renew our commitment to this growing segment of the hospitality business. Lowe and CoralTree look forward to providing world class service to our existing owners, HOAs and their guests, and to resort residence owners and guests in new markets across the country,” added Mike Lowe co-CEO of Lowe.

As part of the transaction, Lowe and CoralTree will soon be a key part of Hyatt’s forthcoming new vacation rental offering, Homes & Hideaways by World of Hyatt. The booking platform will provide the ability for the rental residences included in the transaction to be available for booking (standard and award booking), to the 40 million World of Hyatt members. This exciting new offering will augment the robust marketing capabilities and distribution channels already in place at CoralTree to ensure the widest possible exposure for the rental residences.

The transaction will transition management responsibility for more than 1,000 resort rental residences and 27 homeowners associations in Vail, Aspen/Snowmass and on three islands – Kauai, Hawaii Island, and Maui – in Hawaii to Lowe via CoralTree Hospitality Group. CoralTree will provide its signature customer-focused approach and commitment to superior financial performance while overseeing the physical properties with utmost care. Among the services provided will be owner relations and services, accounting and financial services, guest/concierge services, front desk and amenity management, maintenance and capital project oversight, marketing, distribution and pricing, housekeeping and procurement.

“CoralTree Hospitality is dedicated to delivering personalized service for our owner-clients and creating one-of-a-kind experiences for their guests. Residential resort management is how our company began and it is a service that we know well. We foresee a bright future as we guide this business toward new achievements,” said Tom Luersen, President of CoralTree Hospitality.

In 2018, Lowe sold its hospitality affiliate, Two Roads Hospitality, to Hyatt. “When we selected Hyatt in 2018 as the buyer for Two Roads Hospitality, we were confident that we had chosen the best platform to position the assets of our hotel owners and partners for future investment success. We appreciate Hyatt’s same confidence in Lowe by selecting us to guide this vacation rental management business to future growth and success,” said Mike Lowe, co-CEO of Lowe. The 2018 sale included the Destination Residential Management business that Lowe had built starting in the early 1970’s, and is now re-acquiring, as one component of the significantly larger business it sold to Hyatt.

The transition of management to CoralTree Hospitality began upon closing of the transaction and will continue over the next few months to ensure a smooth, efficient and seamless experience for residence owners, colleagues and guests.

"We believe Lowe is well-positioned and highly qualified to operate the valuable business, and to help it reach its maximum potential" said James Francque, Global Head of Transactions at Hyatt. "We are confident Lowe is the best steward to continue to grow the business even further.

The term “Hyatt” is used in this release for convenience to refer to Hyatt Hotels Corporation and/or one or more of its affiliates.

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About Lowe

Los Angeles-based Lowe, formerly known as Lowe Enterprises, is a leading national real estate investment, development and management firm. Over the past 51 years, it has developed, acquired or managed more than \$36 billion of real estate assets nationwide as it pursued its mission to build value in real estate by creating innovative, lasting environments and meaningful experiences that connect people and place. Lowe currently has more than \$2 billion in commercial real estate projects in the pipeline or under development. In addition to its Los Angeles headquarters, Lowe maintains regional offices in Southern California, Northern California, Charleston, Denver, Seattle, and Washington, DC.

About CoralTree Hospitality

CoralTree Hospitality is a wholly-owned subsidiary of Los Angeles based Lowe, a real estate investment, management and development firm. Colorado-based CoralTree delivers distinctive, memorable experiences that celebrate the surroundings, culture and community of each property. CoralTree is consistently rated among the top independent hotel management companies in the U.S. by *Hotel Business* magazine and recently was named the No. 4 best small company to work for in Colorado in the annual Denver Post, Top Workplace survey. The company provides marketing licensing and hospitality management services to hotels and resorts in the United States. The collection includes independent, branded and soft-branded properties such as Terranea Resort on the Southern California coast, The Woodlands Resort in Houston, Sunriver Resort in Oregon, Suncadia Resort in Washington, the Eddy Taproom & Hotel in Golden, Colorado, Everline Resort & Spa in Lake Tahoe, four Magnolia Hotels located in Denver, Houston, St. Louis and Omaha as well as the Lake Nona Wave Hotel in Orlando, Florida. CoralTree also is managing two exciting projects that are currently in development including Pier Sixty Six Resort in Fort Lauderdale and Hotel Polaris at the United States Air Force Academy in Colorado Springs. For more information on CoralTree, visit www.CoralTreeHospitality.com.

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