

Monarch Alternative Capital Grows Orlando Hospitality Portfolio through Unique Dual-Branded Hotel Purchase

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Monarch Alternative Capital LP, a leading investment firm with approximately \$9.5 billion of assets under management, today announced the purchase of the SpringHill Suites and TownePlace Suites Orlando Theme Parks/Lake Buena Vista in Orlando, Florida. Given the firm's growing real estate presence in the Orlando market which now represents over 1,500 keys across four hotels, Monarch was able to acquire the recently constructed, distinctly positioned property at a discount to replacement cost in an off-market transaction due to the pandemic induced disruption in the business and leisure travel market in Orlando. With first-hand knowledge of improving trends in the market, Monarch believes these hotels are especially well positioned to benefit from a rapid recovery due to their proximity to multiple leisure-oriented destinations and their affiliation with the Walt Disney World Good Neighbor Hotel program.



Monarch was drawn to the differentiated features and market position of the property. The 335-key, dual-branded property offers best-in-class amenities to its guests, including 4,187 square feet of meeting and banquet space, full-service food and beverage locations, an attractive outdoor pool, spacious fitness center, and complimentary transportation to all major Orlando theme parks and resorts. With two separate hotel brands under the Marriott umbrella, the property targets two distinct distribution

channels and captures multiple types of customer demand. SpringHill Suites Orlando Theme Parks/Lake Buena Vista, with 180 keys, is a limited-service hotel with access to the robust amenities of the property. TownePlace Suites Orlando Theme Parks/Lake Buena Vista, with 155 keys, provides extended stay options for both business and leisure travelers.

The property's location in the Lake Buena Vista submarket of Orlando provides guests with close proximity to major attractions, including Disney World theme parks, SeaWorld, the Orange County Convention Center, and

Universal Studios. With indicators showing an increase in travel to Orlando and the upcoming 50th anniversary of Walt Disney World, Monarch believes the combination of the property's high quality and desirable location makes it a sought-after destination for visitors to Orlando.

Ian Glastein, Managing Principal and Co-Head of Real Estate at Monarch, said, "SpringHill Suites and TownePlace Suites Orlando Theme Parks/Lake Buena Vista are special additions to our Orlando real estate portfolio. Given recent significant increases in construction costs, our ability to purchase this property at a discount to replacement cost highlights our focus on unique assets in markets poised to recover more quickly from the pandemic. Orlando is already seeing a surge in travel that should directly benefit our hotels in the area."

Monarch has partnered with HHM Hospitality, an industry leading hospitality management, investment, and development firm with approximately 150 hotels across 23 states, to assist in the operations and management of the portfolio.

About Monarch Alternative Capital LP

Monarch Alternative Capital LP is a global investment firm founded in 2002 with approximately \$9.5 billion in assets under management. Monarch focuses primarily on opportunistic and distressed situations across corporate debt, real estate, special situations, and other market segments. Monarch draws on the skills and experience of its employees across its offices in New York and London. For more information, please visit www.monarchlp.com.

About Hersha Hospitality Management (HHM)

Hersha Hospitality Management manages a highly diverse portfolio of approximately 150 properties from coast to coast that are comprised of one-third lifestyle and independent, one-third resort and full-service, and one-third urban and select-service hotels. HHM's teams utilize proprietary data and processes, plus a relentless focus on driving results, to maintain its advantage and position in the marketplace for a highly diverse group of institutional and long-term owners. For more information, please visit www.hhmhospitality.com.