

HOTELS' Investment Outlook



An Active, Unique Hotel Buyer

If a flood of distressed assets hits the market later this year as expected, the executives at **Unique Hotels** should have a grand time snapping them up.

Newport Beach, California-based Unique Hotels was founded as a hotel management company but lately has shifted its focus toward asset acquisition. The 22-year-old company is headed up by Carlos Lopes and Eric Prevette, who worked together for decades managing luxury hotels under several brands, notably RockResorts and Rosewood Hotels. They are joined by Terry Petty, who most recently served as an executive vice president for Marriott International.

Unique Hotels is targeting for acquisition boutique properties with around 200 guestrooms—distressed and underperforming assets, in particular—in major city centers and high-profile resort destinations throughout the United States. Upon acquisition, Unique Hotels redevelops and repositions properties with new branding or as upscale independent properties.

The group expects to close on at least

three properties this year—due diligence is being done on hotels in San Francisco, Los Angeles and Miami—and plans to buy another three or four in 2010. The company is capitalized and looking to invest or partner in acquisitions. “Current hotel valuations present an opportune time to invest in hotel properties,” says Lopes, Unique Hotels’ managing director.

Prevette, who anticipates investment opportunities in the second half of the year, has spent the previous year building relationships with equity funding sources in the United States and Europe. “There are more opportunities out there that will come through the pike as the market continues to tighten up,” he says. “We are in the market, we have the resources and we’re prepared to move quickly.”

The group has a record of repositioning assets. Prevette and Lopes teamed in the ’80s to salvage The Biltmore Hotel in Los Angeles, raising

occupancy by 69% in three years. They also helped rebuild the RockResorts brand, spinning it off to Vail Resorts.

Lopes believes Unique Hotels is in a unique position to offer asset repositioning guidance. Besides investing in hotels as a principal, Unique Hotels offers advisory services for hotel transactions, as well as for hoteliers seeking to secure debt and equity financing.

The company’s principals bring a range of industry experiences. Lopes was most recently managing director of Hotel Bel-Air, Los Angeles, while Prevette served as president of The Irvine Co.’s resort properties division.

The duo led Unique Hotels decades ago but parted ways before reuniting and reconstituting the firm. Petty worked with Prevette at Irvine, where he was chairman of the resorts division. ■

*By Adam Kirby,
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Carlos Lopes

