

# SUCCESS STORY

## Driving Returns Through Strategic Hotel Management



### THE CHALLENGE

Our client, a European real estate pension fund, had acquired a portfolio of 24 upper scale, full service, internationally branded hotels across 10 different European countries. The fund's goal was to enhance the value of these assets over a 5 year investment cycle and achieve a minimum internal rate of return (IRR) of 25%.

### OUR SOLUTION

We assembled an experienced hotel management team and implemented a transformational strategy focused on driving revenue, profitability and asset value.

**Revitalised Leadership** – We recruited top talent for key leadership roles in operations, sales, marketing and finance to drive day-to-day management and profit optimisation.

**Commercial Strategy** – We developed a commercial plan centred around increasing occupancy, average daily rate (ADR) and ancillary revenue through pricing optimisation, channel management and commercial team realignment.

**Sales Restructuring** – The sales team was reorganised around key customer segments and new initiatives were launched to attract corporate, leisure and group business.

**Capex Investments** – A capital investment plan was executed to renovate rooms, public spaces and back-of-house areas. This elevated the competitive positioning of each asset.

### OUR RESULTS

#### 120% EBITDA Growth

Bottom line profits increased by 120% through revenue growth and cost control initiatives

#### 2.5x MOIC

The portfolio was sold at over a 2.5 times multiple on invested capital, significantly exceeding the fund's return target.



By taking over management of an underperforming European hotel portfolio, instituting a new commercial strategy and investing in targeted renovations, we were able to substantially increase cash flow, asset values and investor returns over a 5 year period.

#### TIM SHEARMAN

Chief Executive and Founder

Four Corners Hospitality Group

[tim@fourcornershospitality.co.uk](mailto:tim@fourcornershospitality.co.uk)

+44 7796 588513

[www.fourcornershospitality.co.uk](http://www.fourcornershospitality.co.uk)