



## **Lowes Joint Venture Acquires Three Hotels In The Woodlands® From The Howard Hughes Corporation®**

September 16, 2021

THE WOODLANDS, Texas, Sept. 16, 2021 /PRNewswire/ -- A joint venture between Lowe and an institutional investor announced today its acquisition from The Howard Hughes Corporation® (NYSE: HHC) of three hospitality assets located in The Woodlands®, a 28,500-acre award-winning master planned community in the greater Houston area. The Woodlands Resort; The Westin at The Woodlands; and Embassy Suites by Hilton, The Woodlands at Hughes Landing were purchased for \$252 million and will continue to be managed by Lowe's hospitality management subsidiary, CoralTree Hospitality, which took over management of the properties in September of 2020. Lowe will immediately begin a \$25 million capital investment program at the three hotels, totaling 909 rooms.

"The Woodlands hotel portfolio acquisition is consistent with our broader hospitality investment strategy that targets quality, full-service hotels and resorts that draw significant leisure travel, but also cater to corporate and group business. Located in a high-growth Houston submarket with strong demand and compelling demographics, the hotels and resort draw from multiple demand segments attracted by the appealing location, lakes, outdoor recreation and considerable amenities within The Woodlands. Business has grown steadily over the past five years and the hotels have weathered the downturn and are rebounding strongly," said Mike Lowe, co-CEO of Lowe.

With this sale, Howard Hughes has successfully closed on approximately \$376 million of the targeted \$600 million net proceeds in the sale of non-core assets outlined two years ago. "The sale of our hotel assets in The Woodlands further advances the disposition of non-core assets as outlined in our 2019 strategic initiative," said David R. O'Reilly, CEO of The Howard Hughes Corporation. "Lowe is recognized for its leading quality service within the hospitality industry, and we are pleased to have found a buyer who shares our commitment to providing visitors to The Woodlands with a best-in-class customer experience."

### **The Woodlands Resort**

Built in 1974, The Woodlands Resort is the original hotel in The Woodlands master planned community. The AAA Four-Diamond property is an attractive resort with 402 rooms in a beautiful, expansive natural setting with many compelling amenities including the family-oriented Forest Oasis waterpark with its 1,005-foot Lazy River and 30-foot waterslide, 90,000 square feet of meeting space and a wide array of resort amenities. To further the resort's appeal and market position, Lowe and its partner intend to make a significant capital investment to redevelop and add new facilities. A key planned improvement is the top-to-bottom redevelopment of the existing 10,000-square-foot spa, which will include the repositioning of the spa pool with renovated indoor and outdoor spaces to provide a calming retreat. In addition, the fitness facility will be expanded and modernized to enhance the wellness program. The resort will also undergo a transformation of the dining and bar options including a waterside lobby bar and the addition of a gourmet grab-and-go market and general store, complementing the recently completed repositioning and redesign of Back Table Kitchen + Bar to offer a more attractive and contemporary dining experience.

In addition to being one of the area's top recreational destinations, The Woodlands Resort is the region's premier meeting location with 60,000 square feet of indoor group and social space including a 13,430-square-foot grand ballroom. The 28,000 square feet of outdoor event space has an unparalleled location overlooking Lake Harrison. The Forest Deck will be dramatically improved to provide a distinctive outdoor venue for group meetings, receptions and weddings. The Woodlands Resort also features a vast network of walking and biking trails and access to two championship golf courses and a world-class tennis center.

### **Embassy Suites by Hilton, The Woodlands at Hughes Landing**

The 205-room Embassy Suites by Hilton, The Woodlands at Hughes Landing, built in 2015, offers a business center, fitness facility, rooftop pool with views of Lake Woodlands, and 3,500 square feet of group and event space. Lowe plans to refresh guest rooms and upgrade some building systems to maintain its best-in-class position within the Embassy Suites brand. Located in Hughes Landing—a 79-acre upscale mixed-used development within The Woodlands community on the shore of Lake Woodlands—the hotel is proximate to a vibrant mix of shopping, entertainment, dining and businesses as well as boat rentals. The hotel offers the classic guest services that Embassy Suites is known for—a complimentary evening reception and made-to-order breakfast.

## **The Westin at The Woodlands**

The 302-room Westin at The Woodlands, built in 2016, is a AAA Four-Diamond property that provides modern amenities and facilities including a 24-hour fitness facility, a rooftop infinity pool, cabanas and firepit, in-room massage, more than 28,000 square feet of meeting and event space, and three food and beverage outlets. Lowe and its partner will invest in several property upgrades including the guest rooms, the meeting and conference space, and public areas.

The contemporary hotel overlooks Waterway Square—a one-acre public plaza with captivating water features and green spaces that serve as the centerpiece of The Woodlands—and sits just steps from upscale shopping, fine dining and world-class entertainment.

The Woodlands is a 28,500-acre community located 27 miles north of Houston's central business district. Since its inception in 1974, it has been among the most successful developments of its kind in the United States. Consistently recognized as one of the best places to live in the country, The Woodlands is a thriving business community with a major presence by 13 Fortune 500 companies and offers more than 24 million square feet of office, retail and hospitality, along with 7,665 acres of open green space, 220 miles of connected hike and bike trails, and 151 parks.

The Lowe venture was represented by Greenberg Traurig while K&L Gates provided legal counsel to The Howard Hughes Corporation. CBRE and JLL represented the seller in the transaction.

### **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 49 years, it has developed, acquired or managed more than \$32 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. Lowe's hospitality affiliate, CoralTree Hospitality, operates numerous hotel and resort properties across the U.S. Lowe's commercial property operations affiliate, Hospitality at Work®, brings hospitality-inspired property management service to office buildings nationwide. For more information visit [www.Lowe-RE.com](http://www.Lowe-RE.com) [www.hospitality-work.com](http://www.hospitality-work.com) [www.coraltreehospitality.com](http://www.coraltreehospitality.com)

### **ABOUT THE HOWARD HUGHES CORPORATION®**

The Howard Hughes Corporation owns, manages and develops commercial, residential and mixed-use real estate throughout the U.S. Its award-winning assets include the country's preeminent portfolio of master planned communities, as well as operating properties and development opportunities including: the Seaport in New York City; Downtown Columbia®, Maryland; The Woodlands®, The Woodlands Hills®, and Bridgeland® in the Greater Houston, Texas area; Summerlin®, Las Vegas; and Ward Village® in Honolulu, Hawai'i. The Howard Hughes Corporation's portfolio is strategically positioned to meet and accelerate development based on market demand, resulting in one of the strongest real estate platforms in the country. Dedicated to innovative placemaking, the company is recognized for its ongoing commitment to design excellence and to the cultural life of its communities. The Howard Hughes Corporation is traded on the New York Stock Exchange as HHC. For additional information visit [www.howardhughes.com](http://www.howardhughes.com).

### **ABOUT CORALTREE HOSPITALITY**

Launched in December 2018, 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 was named among the top 20 hotel management companies in the U.S. after only one year of operation by Hotel Business magazine. The company provides marketing licensing, hospitality, and asset management services to 22 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, Hotel Lincoln in Chicago, The Woodlands Resort in Houston, Suncadia in Cle Elum, Washington and the new Eddy Taproom & Hotel in Golden, Colo. The company also is overseeing the creation of the Lake Nona Wave Hotel in Orlando, Florida, which is scheduled to open in late 2021. For more information on CoralTree, visit [www.CoralTreeHospitality.com](http://www.CoralTreeHospitality.com)

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