

**CONVENTO OBRA PIA VICEROY** CARTAGENA

Colombia's 1st 6-star hotel **CONVENTO OBRA PIA VICEROY CARTAGENA** 

## THE PROJECT

- 14.163m<sup>2</sup> of urban construction
- 102 urban quest rooms 42m<sup>2</sup> avg. size
- 1st Las Vegas-style day club in Cartagena
- 202m<sup>2</sup> infinity pool & terrace bar w/ 360° view
- Rooftop terrace seating 450+; 2,100 standing
- 1st valet parking service in the old city
- 650m<sup>2</sup> luxury fitness center & urban spa
- 225m<sup>2</sup> surface-level swimming pool linked to gym
- 420m<sup>2</sup> cross function event-space
- Signature restaurant & nightclub
- 3-meal restaurant seating 140+
- 3 bar areas seating 200+
- 2 sandwicherias/cafés
- 2 luxury boutique stores
- 8 suites w/ private terrace & jacuzzi
- 60,000m<sup>2</sup>+ of beachfront construction
- 15 beachfront cabanas 70m<sup>2</sup> avg. size
- 1 restaurant, scene bar lounge and beach bar
- Beachfront spa with 6 treatment rooms and complete facilities

-The New York Times-

# MARKET BACKGROUND

- **COLOMBIA** has experienced a sustained "peace dividend" economic boom for 15+ vears
- 5%+ compounded GDP growth since 1994
- 3rd largest economy in Latin Americaafter Brazil and Mexico
- U.S.-Colombia FTA: 2012
- EU-Colombia FTA: 2014
- CARTAGENA'S colonial fort city (1533) is a **UNESCO World Heritage site**
- Premier "jetset" destination globally
- One of the **top 5 conference destinations** in Latin America
- Over 750.000 visitors in 2014
- International airlift from Atlanta, Houston, Miami, JFK, Madrid, Frankfurt, etc. to Cartagena's int'l airport expected to triple by 2018
- Visitors to Cartagena projected to grow at a double-digit percentage pace for next decade
- High-end hospitality in the old city area of Cartagena (site of the Viceroy project) is chronically under-supplied; under 1,000 total rooms at 4 stars and above
- GETSEMANÍ: Convento Obra Pía is located in the heart of the hippest neighborhood within the colonial city
- **Fully entitled**; most risky part of construction (Phase 1: colonial restoration) completed



EXISTING ROUTES UPCOMING ROUTES







New Architecture **Colonial Restoration** (Phase 1)

in colonial Cartagena where it is





## CURRENT SITUATION

- Beginning in 2010, KIT Capital purchased 5 bordering properties within the Getsemaní neighborhood of colonial Cartagena.
- Architectural designs integrating colonial restoration and new build - completed by renowned colonial restoration firm Barrera & Barrera.
- Competitive processes led to KIT Capital choosing Viceroy Hotel Group as operator and internationally acclaimed firm Arquitectura de Interiores to lead interior design on the project.
- 3-year process of obtaining IPCC/UNESCO approvals was completed in April 2014; construction license obtained.
- Construction on Phase 1 (colonial restoration) commenced November 2014 and completed on time and under budget in August 2015.
- Execution risk has been vastly reduced, with all entitlements in place and most risky phase of construction has been funded and completed.
- KIT Capital has received attractive institutional equity co-investment and debt offers to fill Phase 2 funding need; hybrid round is intended to build future equity co-investment relationships and increase negotiating leverage by funding construction through Q1 2016.





- Represents a prime asset bet on Colombia's positive macro trajectory
- **2.** Annual IRR of 20% (without any leverage)
- Takes advantage of long-term shortage of high-end hospitality supply in Cartagena's colonial city
- 4. Limited execution risk: Phase 1 construction complete; experienced hotel investor
- 5. Tax incentives for hotel construction in Colombia provide 30 years of income tax exemptions



**kit**capital

partners



Colombia's 1st 6-star hotel



### VICEROY CARTAGENA DEVELOPMENT PARTNERS

### KIT CAPITAL kitcapital.com

KIT Capital is a family office and merchant bank firm founded in 2001 by serial entrepreneur and former Goldman Sachs investment banker Kaleil Isaza Tuzman.

Since inception, KIT Capital has created over US\$1 billion in incremental market value through managed investments and asset sales.

The firm has been an active investor in Cartagena real estate for over a decade and has been successfully investing globally in high-end hospitality projects since 2005.

#### VICEROY HOTEL GROUP viceroyhotelsandresorts.com

- 7 countries with 15+ Hotels in prime, exotic places
- Viceroy's hotels and resorts occupy both vibrant urban settings and spectacular resort locations.
- Glamorous and exclusive sensibility that epitomizes the height of luxury.
- Assets in Viceroy portfolio have consistently been ranked amongst world's best hotels, including Viceroy Santa Monica, Viceroy Palm Springs, Viceroy Anguilla and Viceroy Maldives.
- Viceroy Hotels and Resorts embody the essence of style and service.

The partners bring recent experience in other upscale and 6-star hospitality projects such as:

- Viceroy Dubai Palm Jumeirah
- Viceroy New York
- Viceroy Bodrum (Turkey)
- Viceroy Miami
- Coral Hilton Baghdad
- D'Oro Medellín (in progress)