



ARA US HOSPITALITY TRUST

A stapled group comprising:

ARA US HOSPITALITY PROPERTY TRUST

(a real estate investment trust constituted on 24 September 2018 under the laws of the Republic of Singapore) managed by
ARA Trust Management (USH) Pte. Ltd.

ARA US HOSPITALITY MANAGEMENT TRUST

(a business trust constituted on 29 October 2018 under the laws of the Republic of Singapore) managed by
ARA Business Trust Management (USH) Pte. Ltd.

PRESS RELEASE

COMPLETION OF ACQUISITION OF HOME2 SUITES BY HILTON COLORADO SPRINGS SOUTH HOTEL

Key Highlights

- *New-built hotel in Colorado Springs acquired at 9% NPI yield and below the independent market valuation of US\$30.2 million*
- *Hotel is well-located in a growing sub-market which has outperformed its competitive set in 2022*
- *Expanded global brand affiliation for ARA US Hospitality Trust which now includes Hilton Worldwide in addition to Hyatt and Marriott*

Singapore, 19 April 2023 – ARA Trust Management (USH) Pte. Ltd., as manager of ARA US Hospitality Property Trust (“**ARA H-REIT**”), and ARA Business Trust Management (USH) Pte. Ltd., as trustee-manager of ARA US Hospitality Management Trust (“**ARA H-BT**”) (collectively known as the “**Managers**”) are pleased to announce it has on 18 April 2023 (U.S. time) completed the acquisition of Home2 Suites by Hilton Colorado Springs South hotel for a consideration of US\$29.0 million (the “**Acquisition**”). The independent valuer¹ concluded a market value of US\$30.2 million for the Property as of 8 April 2023. The Purchase Consideration is below the independent market valuation.

The Property is a relatively new-built upscale select-service and extended-stay hotel with 119 rooms, located at 1235 Tenderfoot Hill Road, Colorado Springs, Colorado 80906. Colorado Springs is at the center of the Rocky Mountain recreation activities and a popular tourist attraction. In addition, it is a strong base for prominent U.S. aerospace and military establishments as well as higher education institutions. The growing sports and high-technology industries also offer strong support to the expanding sub-market.

Mr. Lee Jin Yong, CEO of the Managers said, “We are pleased to acquire this strong performing asset which has outperformed the Colorado Springs market, sub-market and its competitive set in 2022. The Property is acquired at a net property income (“**NPI**”) yield of approximately 9.0% for FY 2022. This is

¹ Newmark Valuation & Advisory, LLC

higher than the NPI yield that ARA H-Trust had derived from the five Hyatt Place properties sold in the third quarter of 2022. This is reflective of our ongoing portfolio optimisation and rebalancing strategy to re-deploy capital into core assets to increase returns, profits and distributions for ARA H-Trust and its Stapled Securityholders.”

He added, “The Property is strategically located in the south end of Colorado Springs and benefits from a consistent demand base. The RevPAR for the Colorado Springs market has shown resilience during the COVID-19 pandemic, and exceeded 2019 levels by 5.6% for the year 2022.”

The Property is branded under Hilton Worldwide (“**Hilton**”), a global hospitality company with a portfolio of 18 world-class brands comprising more than 7,000 properties and more than 1.1 million rooms in 123 countries and territories. Its award-winning loyalty program, Hilton Honors, has grown to over 150 million members worldwide to date. The addition of a Hilton-branded hotel will improve the diversity of the existing portfolio of ARA H-Trust.

Mr. Lee concluded, “ARA H-Trust will continue to pursue its investment strategy of owning hotels with good cashflow-generating capability in sub-markets with strong underlying long-term market fundamentals.”

Lee Jin Yong
Chief Executive Officer
19 April 2023

For enquiries, please contact:

Investor Relations
Email: usht_ir@esr.com

ABOUT ARA US HOSPITALITY TRUST

Listed on the Singapore Exchange on 9 May 2019, ARA US Hospitality Trust is a hospitality stapled group comprising ARA US Hospitality Property Trust (“**ARA H-REIT**”) and ARA US Hospitality Management Trust (“**ARA H-BT**”). ARA US Hospitality Trust invests in income-producing real estate assets used primarily for hospitality purposes located in the United States. As at the date of this announcement, ARA US Hospitality Trust’s portfolio comprises 37 select-service hotels with a total of 4,826 rooms across 19 states in the United States.

ARA H-Trust is managed by ARA Trust Management (USH) Pte. Ltd. and ARA Business Trust Management (USH) Pte. Ltd., (collectively known as the “**Managers**”). The Managers are indirect wholly-owned subsidiaries of ARA Asset Management Limited.

For more information, please visit www.araushotels.com.

About the Sponsor

The Sponsor, ARA Real Estate Investors 23 Pte. Ltd., is an indirect wholly-owned subsidiary of ARA Asset Management Limited (“**ARA**”).

ARA Asset Management is part of the ESR Group (the “**Group**”), APAC’s largest real asset manager powered by the New Economy and the third largest listed real estate investment manager globally. With US\$156 billion in total assets under management (AUM), our fully integrated development and investment management platform extends across key APAC markets, including China, Japan, South Korea, Australia, Singapore, India, New Zealand and Southeast Asia, representing over 95% of GDP in APAC, and also includes an expanding presence in Europe and the U.S. We provide a diverse range of real asset investment solutions and New Economy real estate development opportunities across our private funds business, which allow capital partners and customers to capitalise on the most significant secular trends in APAC. ESR is the largest sponsor and manager of REITs in APAC with a total AUM of US\$46 billion. Our purpose – Space and Investment Solutions for a Sustainable Future – drives us to manage sustainably and impactfully and we consider the environment and the communities in which we operate as key stakeholders of our business. Listed on the Main Board of The Stock Exchange of Hong Kong, ESR is a constituent of the FTSE Global Equity Index Series (Large Cap), Hang Seng Composite Index and MSCI Hong Kong Index.

More information is available at www.ara-group.com, www.esr.com.

IMPORTANT NOTICE

The value of the stapled securities in ARA US Hospitality Trust ("**Stapled Securities**") (where each Stapled Security comprises 1 unit in ARA H-REIT stapled to 1 unit in ARA H-BT), and the income derived from them may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers, DBS Trustee Limited, in its capacity as trustee of ARA H-REIT, or any of their respective affiliates.

An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Stapled Securityholders have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of ARA US Hospitality Trust. The forecast financial performance of ARA US Hospitality Trust is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers' current view of future events.