



STONEPARKcapital

Company Profile

2024



StonePark Capital is a Santa Barbara based hospitality firm that focuses on the acquisition and development of hotel properties, and applies a disciplined set of strategies which prioritizes investor return.

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Our Story

StonePark Capital (SPC) was founded in 2014 by Andrew Firestone and Jess Parker to focus on the acquisition and development of hospitality investment opportunities. Applying a disciplined strategy, SPC has identified and executed on a collection of successful and award winning hotel projects up and down the West Coast. Andrew and Jess joined forces to start SPC after working together at a Registered Investment Advisory firm in Montecito, CA, where they discovered their mutual desire to focus on hospitality development.

In 2014, Andrew Firestone and Jess Parker completed the \$18.5M acquisition and renovation of the 70 room La Quinta Inn and Suites in downtown Santa Barbara. Since then, the StonePark team has successfully

acquired and developed a collection of properties, from Santa Barbara to Sonoma County.

In 2016, after beginning development of their third hotel property, StonePark Capital was named “Franchisee of the Year” at the annual La Quinta Inns and Suites conference in Las Vegas. This recognition was due to their success in both operations of an existing property, while acquiring and developing two additional locations. The following year, SPC was awarded with the “Best New Development” for their newly opened 104 room La Quinta Inn and Suites in Morgan Hill, CA. This property featured the first “Del Sol” prototype to be built on the west coast. Located prominently on the 101 Freeway, this property has been a model hotel for the future development of La Quinta properties on the West Coast.



(L-r): Andrew Firestone, Jess Parker



Today, with over 465 hotel rooms across 6 properties, and over \$200M invested in their hotel portfolio, StonePark Capital continues to stick to their same strict development guidelines.

Ironically, **StonePark Capital**'s strict adherence to their development guidelines has resulted in losing countless bids on projects. Whether a result of not being comfortable with the price of the project or perceived headwinds that would prevent

success, Andrew and Jess have had to walk away from deals even after months of hard work. However, this discipline has allowed SPC to not reach for a project beyond what was in their comfort zone.

Portfolio of Projects

Santa Barbara, CA

Courtyard by Marriott

This project was the first acquisition by StonePark Capital, which was a motel formerly the El Prado Inn. After an initial reposition of the property to a “La Quinta by Wyndham”, the StonePark team embarked on an

ambitious second phase of their plan to fully maximize the potential of the hotel. The result was the development of a gorgeous addition of new guest rooms, and common areas, bringing the total room count to 122. The new guest rooms are complemented by a new subterranean parking facility, expanded pool and jacuzzi deck, indoor/outdoor bar and restaurant branded as Saint Remy, and two rooftop common areas. This beautiful hotel officially opened as a “Courtyard by Marriott” in December of 2022.

Harbor. Due to the unique location and amenities of this property, StonePark decided to keep it as an independent hotel, but completed a renovation of all guest rooms and common areas to maximize the potential of this gorgeous beach hotel.

MOXY by Marriott

Upon the sale of another asset, the StonePark team organized a 1031 Exchange to purchase the 31 room “Waterman Hotel” located in the heart of the Funk Zone in Downtown Santa Barbara. This property has thoughtfully designed guest rooms and common areas including a swimming pool that sits right on State Street, just a stone’s throw from the beach. Upon closing on the acquisition of the property, StonePark teamed up with Marriott to convert this property to the popular lifestyle brand “MOXY by Marriott”.

Mason Beach Inn

The StonePark Capital team closed on the acquisition of the 45 room “Mason Beach Inn” in the Fall of 2018. This property is located in the West Beach neighborhood of Santa Barbara, near Stearn’s Wharf and the Santa Barbara



SANTA BARBARA, CA

San Luis Obispo, CA

Hotel Cerro, Autograph Collection by Marriott

In the Winter of 2022, StonePark Capital purchased the 65-room independent “Hotel Cerro”, which included a full-service restaurant, spa, and rooftop pool and bar. This downtown infill project was completed in 2020, and was a blend of new construction, and adaptive re-use of two existing historical buildings. Upon acquisition of the property, StonePark coordinated with the renowned architecture and design team of Gensler to convert the property to an “Autograph by Marriott” property.

La Quinta Inn & Suites by Wyndham

In the Fall of 2013, StonePark Capital purchased two lots on Monterey Street, near Cal Poly San Luis Obispo and the downtown district. There was an existing restaurant on one parcel, and a residence on the other. The StonePark team embarked on an extensive entitlement and development project on a site where an application for a hotel was previously denied. Working with a local architecture and design team, StonePark was successful in getting a 102-room hotel with a rooftop pool and spa, and a subterranean parking garage approved and entitled. Additionally, the existing 5,500 square foot “1865 Crafthouse and Kitchen” was renovated and expanded. Construction was completed in the Spring of 2019.



SAN LUIS OBISPO, CA

Portfolio of Projects



MORGAN HILL, CA

Morgan Hill, CA

La Quinta Inn & Suites by Wyndham

In 2014, StonePark acquired a 2.4-acre property located in the South Bay region, in Morgan Hill, California. The team identified this location as the gateway to the Silicon Vally, which hadn't seen new hotel development in over a decade. Working closely with officials from Morgan Hill, StonePark was able to enhance the existing development parameters of the property and get the first 4-story building approved in the city. The La Quinta Inn and Suites opened in July of 2016, just 13 months after the start of construction, which represented the first "Del Sol" prototype by La Quinta by Wyndham, on the West Coast. In 2022, StonePark Capital negotiated a successful off-market sale of this property.

Santa Rosa, CA

La Quinta Inn & Suites by Wyndham

StonePark Capital acquired an undeveloped lot adjacent to the 101 Freeway in Sonoma County and worked with the City of Santa Rosa to entitle the development of a 4-story hotel. The team began construction on their second "Del Sol" prototype La Quinta Inn and Suites by Wyndham, which was completed in the Fall of 2020.



SANTA ROSA, CA

Denver, CO

The Miramar Apartments

The Miramar Apartments are a 235-unit property, built in 1980, and located in Denver, Colorado. We closed on this purchase as a minority partner in September of 2022, and immediately began a value-add improvement program. This is a desirable location, as it sits in the Cherry Creek school district, which is the top ISD in metro Denver. The property lies comfortably within

affluent and attractive single-family homes. Miramar is in close proximity to the two major employment hubs of Denver; downtown and the Denver Technology Center, which will continue to drive renter demand as they expand. With affordable current rents, we are a low-cost housing option in the area which presents a great opportunity to increase rents.



DENVER, CO

Team



Andrew Firestone

PRINCIPAL

In 1994, **Andrew Firestone** was first introduced to the hotel business working in project management for “Shilo Inns” in Portland, Oregon. Under the tutelage of the Rodger and Rodney Forni (Founders of Pacific Inns) Andrew held positions in both operations and development for the 52 hotel, independent chain.

Andrew then continued his career in institutional finance, working with BancBoston Robertson Stephens in San Francisco, initially in OTC Trading and subsequently managing the trading activity of a \$500 million portfolio for the largest Private Client Broker team at the firm. He was then hired by HIFX Inc, a foreign exchange specialist, to open their first office in the US. In 2008, Andrew was hired as Director for Ty Warner Hotels and Resorts, which has a portfolio of high end hotels and golf courses, including both Four Seasons and Rosewood Resort products. Hired in 2010 as Senior Vice President at West Coast Management, Andrew

focused on developing the hospitality division, in both acquisitions and new development.

In the fall of 2014 Andrew and Jess Parker founded StonePark Capital in order to focus on both development and acquisition opportunities in hospitality. Andrew has taken responsibility for overseeing the entitlement process and equity raise for each development project, working closely with local government and community groups to ensure that StonePark projects are positioned appropriately within the community.

In the Spring of 2018, Andrew was elected to the La Quinta “Brand Council” where he is the corporate representative for 58 La Quinta Inns and Suites.

In addition to his daily duties within StonePark Capital, Andrew has taken an active role as a member of the La Quinta “Brand Council”, founding Board Member of “Visit Morgan Hill”, and current Board member of “Visit Santa Barbara”.

Team

After a decade of experience in private equity and equities research, **Jess Parker** began his hospitality career by leading the \$14M purchase of the 70 room “El Prado Inn” in downtown Santa Barbara. In addition to the acquisition of the property, Jess was also Project Manager, and oversaw the \$4.5M renovation and rebrand of the project to a “La Quinta Inns and Suites” from a Days Inn franchise.

After co-founding StonePark Capital with Andrew Firestone in the fall of 2014, Jess led the development of

StonePark’s three ground-up projects in San Luis Obispo, Morgan Hill, and Santa Rosa as well as the 52 room expansion of the Santa Barbara La Quinta Inn and Suites. In addition to his hands-on role in development, Jess is also focused on identifying new hospitality investment opportunities.

Jess is Vice President at his family’s charitable foundation called the Hutton-Parker Foundation, which is a \$102M charitable foundation located in Santa Barbara, with approximately 60% of its assets in real estate.



Jess Parker

PRINCIPAL

Team



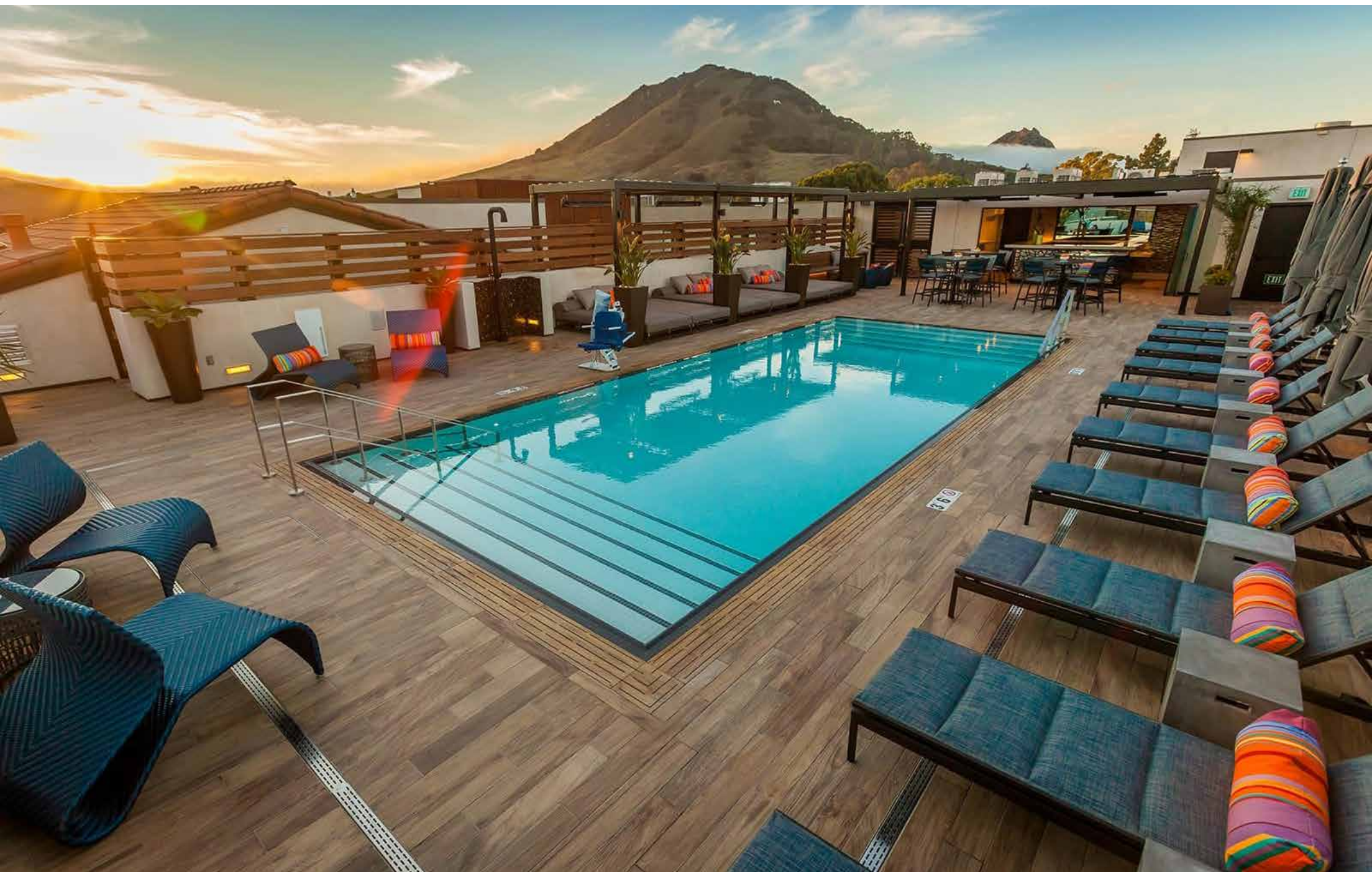
Kristin Carralejo

DIRECTOR OF OPERATIONS

As a key member of the StonePark Capital team, **Kristin Carralejo** oversees the day-to-day operational systems and processes of the firm. She plays a critical role in the coordination of projects under development, financial management of assets and the maintenance of administrative systems. For all new construction, Kristin has taken over both the oversight of construction budgets and the management of the Furniture, Fixture and Equipment procurement. Additionally, Kristin is tasked with maintaining financial and budgetary plans for all operating hotels. In her role at **StonePark Capital**, Kristin has helped coordinate the development or

acquisition of all seven hotels that have been part of the portfolio, and recently managed the \$30M construction budget of the recently expanded Courtyard by Marriott in downtown Santa Barbara.

Born and raised in Santa Barbara, Kristin previously managed business operations and provided legal and accounting support to several high-level attorneys and CPAs in Santa Barbara and Los Angeles. She holds a Bachelor of Arts in Political Science from the University of California at Santa Barbara and is involved with St. Barbara Greek Orthodox Church in Santa Barbara.



Why do investors
partner with
StonePark Capital?



They believe in the long term value of California real estate.

They understand the efficient operating model of select service hotels.

They understand that **StonePark Capital** takes the deal risk, and does not raise capital before having an entitled project.

They are looking for yield, while also holding onto real property.

They recognize the advantage of the tax efficiency for distributions as an LP in real property.

They appreciate our close relationship with La Quinta Inns and Suites.

They respect StonePark Capital's prioritization of investors over themselves in regards to distribution and compensation.

They appreciate the resiliency of select service hotels in a down economy.

They realize that StonePark Capital contributes their own investment alongside LP's at the same terms.

They believe in the conservative use of debt.

They appreciate that every deal is held separately in its own entity, with no cross-collateralization.

StonePark Capital principals are active with local and state travel commissions.

Testimonials

“Andrew and Jess have built a strong portfolio of quality hotels and I look forward to working with the StonePark team on future developments.”

Geoff Ballotti

President & CEO of Wyndham Hotel Group

“In my 40-plus years of owning, operating and developing hotels I have never worked with a more professional and talented group of hotel developers. Attention to detail is a hallmark of StonePark Capital. I highly recommend investing with this group of developers.”

Rodger Forni

CEO, Pacific Inns, LLC

“The StonePark team has developed a very impressive collection of properties and Azul Hospitality is looking forward to being integral in their future growth.”

Mark Crisci

President, Azul Hospitality Group

“As an architect who has worked for many significant developers and investors over my 42-year career, the principals at StonePark Capital stand out. Andrew Firestone and Jess Parker are focused, energetic decision makers who understand the marketplace and the value of good design.”

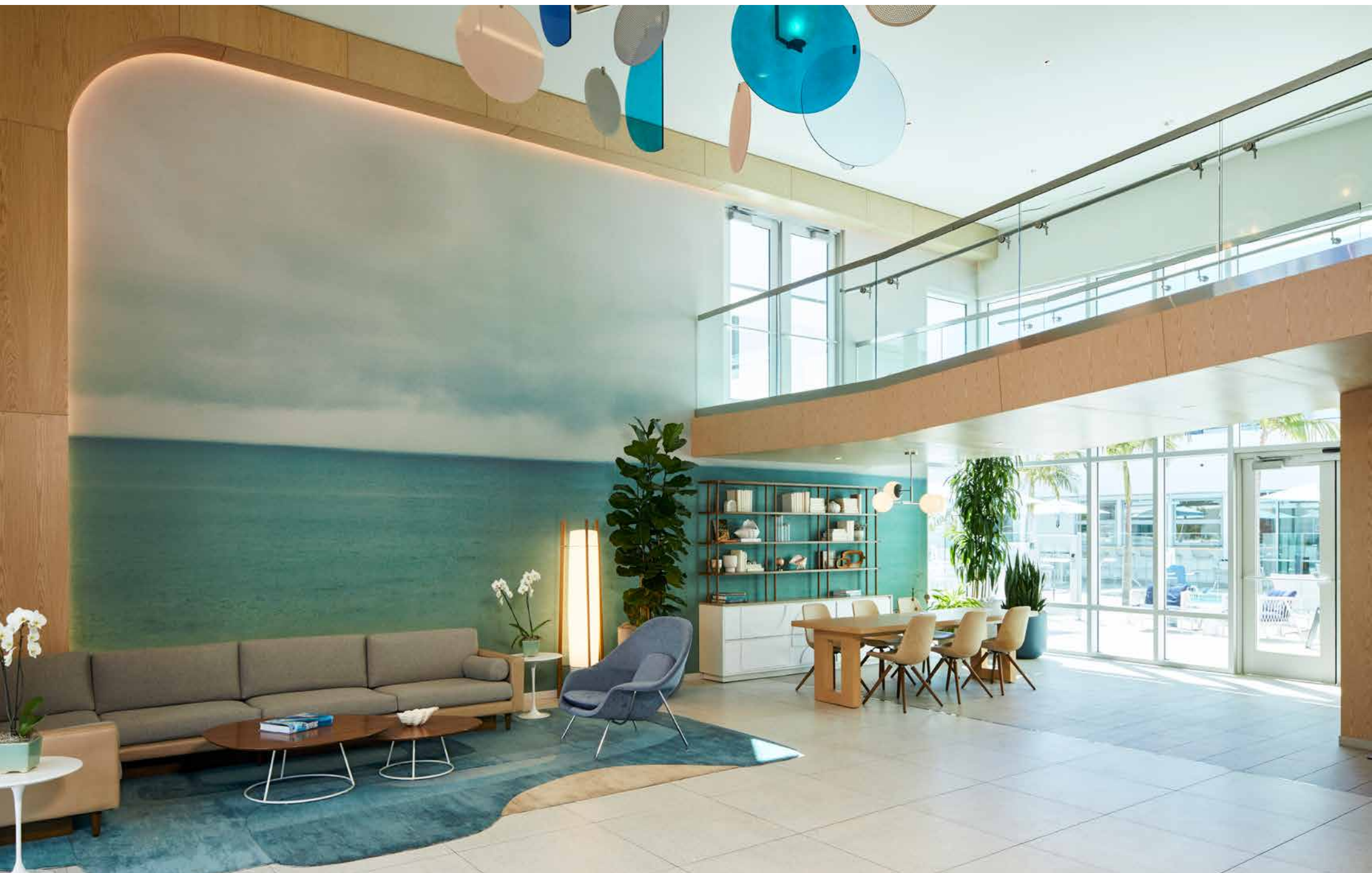
Brian Cearnal, AIA

The Cearnal Collective LLP

“As the former President and CEO of La Quinta Inns and Suites (La Quinta Holdings, Inc), I have been very impressed watching Andrew Firestone and Jess Parker build Stone Park Capital. I respect the quality of their character and the quality of the projects that they have worked on and developed. Since retiring from La Quinta and the hotel business, I have continued to invest in lodging and have personally invested in StonePark Capital projects.”

Wayne Goldberg

Former CEO of La Quinta Holdings, Inc



Investment Strategy

StonePark Capital (SPC) is both a development and investment firm.

The principals are seeking new opportunities in the northern, central and southern California regions with projects already in Santa Barbara, San Luis Obispo and Santa Rosa.

SPC's previous two operating projects were leveraged at less than 55% of cost.

SPC's strategy is to find and acquire well located hotel sites in strong occupancy and ADR markets.

Once a site and project is identified, the principals form a limited partnership and solicit investors to raise the equity. The investor pool consists of high net worth individuals, foundations, and family trusts.

Their investment strategy is to provide significant equity for each project so that leverage is low and break even points are easily reached.

The StonePark Process

The Process

1 Site Selection

The StonePark Capital team reviews countless numbers of site prospects and analyzes their suitability against a long checklist of development standards. These locations may

be existing hotels, adaptive reuse opportunities or undeveloped raw land for new construction. Sites are sourced through relationships with both brokers and franchise partners or through the identification of specific

locations or markets by StonePark in house. Over the years, the **StonePark Capital** team has developed their own unique matrix to analyze the myriad data points to decide whether a property suits their profile.





2 Feasibility

In order to determine the feasibility of a project, the **StonePark** team draws on its vast internal and external resources to determine expected investment returns. The development team reviews leading industry reports and local development pipelines to develop proformas based on existing internal expense profiles. We work

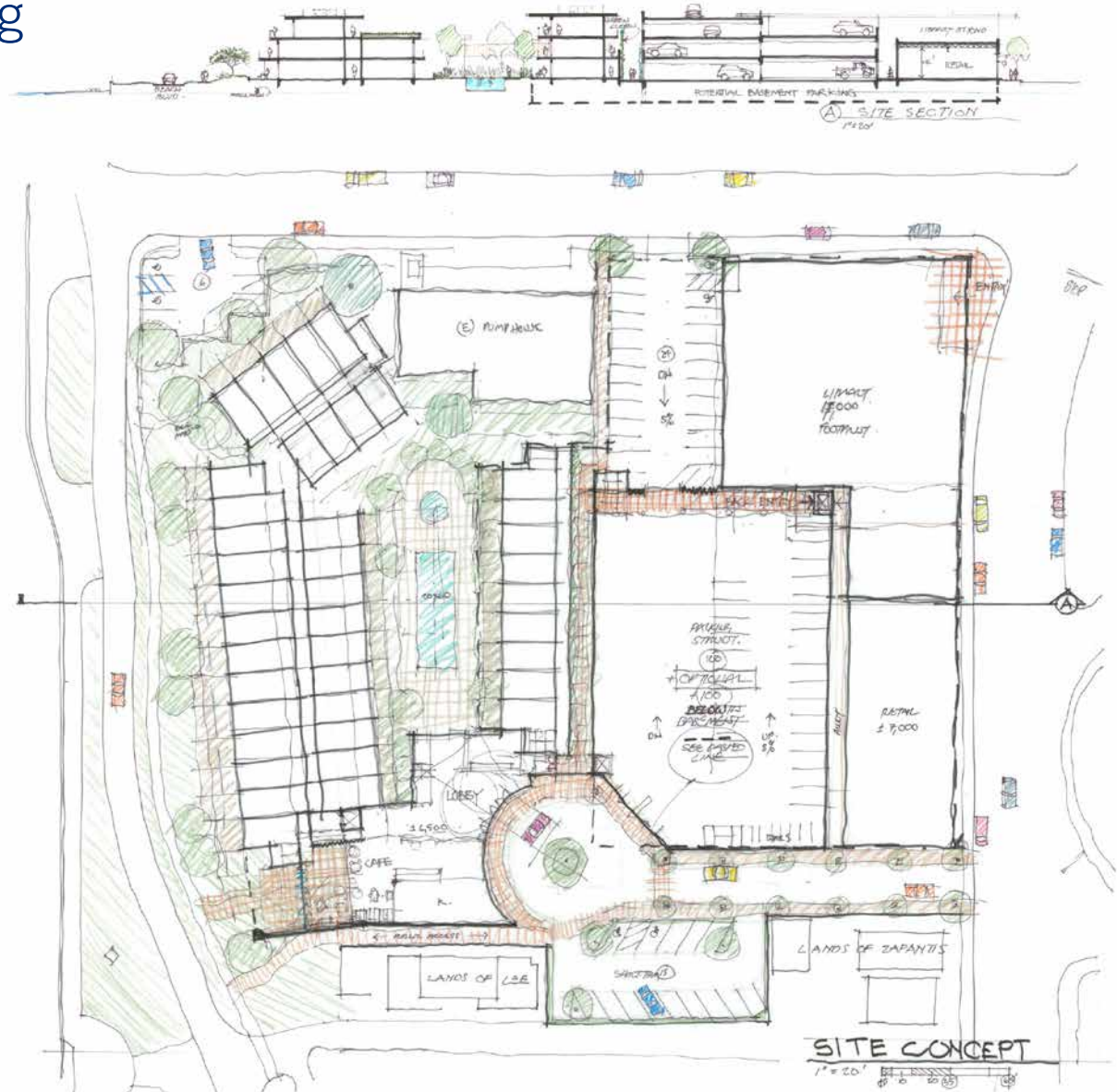
with various architectural firms and meet with city staff and management to draw up preliminary site plans to determine maximum room counts and site constraints. Due to our schedule of projects in California, we understand current costs as well as building code requirements and limitations. Although much of this information is public

and readily available, in order to fully understand a particular market or opportunity, StonePark believes they must reach far beyond spreadsheets and data points.

The Process

3 Acquisition / Financing

Upon making the decision to acquire a project or property, StonePark moves quickly to get under contract. StonePark has a 100% success rate in closing an acquisition after opening escrow, which is a testament to its rigorous due diligence and feasibility studies. Relationships with regional, national and private money lenders allow SPC to be flexible in the type of financing that best suits each individual property. **StonePark** manages a strict leverage ratio of typically 55% loan to cost during construction and 55% loan to value post construction and personally guarantees all construction loans.



4 Entitlement / Approvals

StonePark Capital has been intimately involved in every aspect of securing entitlements for all new construction or renovations of existing projects. This strategy stems largely from the amount of time the team spends in each specific market before making an acquisition and understanding that a project of our size and scale benefits from having ownership involved in every step. Not only does that demonstrate our dedication to the project, but also allows us to make quick decisions in the moment when necessary. StonePark has experience in complicated entitlements, from historical remodels and redevelopments, to green build, urban infill and complicated approval processes with natural resources creating restricting development overlays.

5 Development / Capital Raise

StonePark Capital raises equity for each project individually and does not rely on a fund structure to purchase and develop their hotels. Generally, Andrew Firestone and Jess Parker will personally fund the deposit and due diligence to get the project through entitlements. Once the project has been green-lit and is ready for the next stages of development, **StonePark** will raise the necessary capital and debt to complete the project. Each investor is able to analyze a specific project in order to understand the opportunity without committing to a fund or risking capital for a project that may not reach completion.

6 Construction Bidding / Management / Design & FFE Oversight

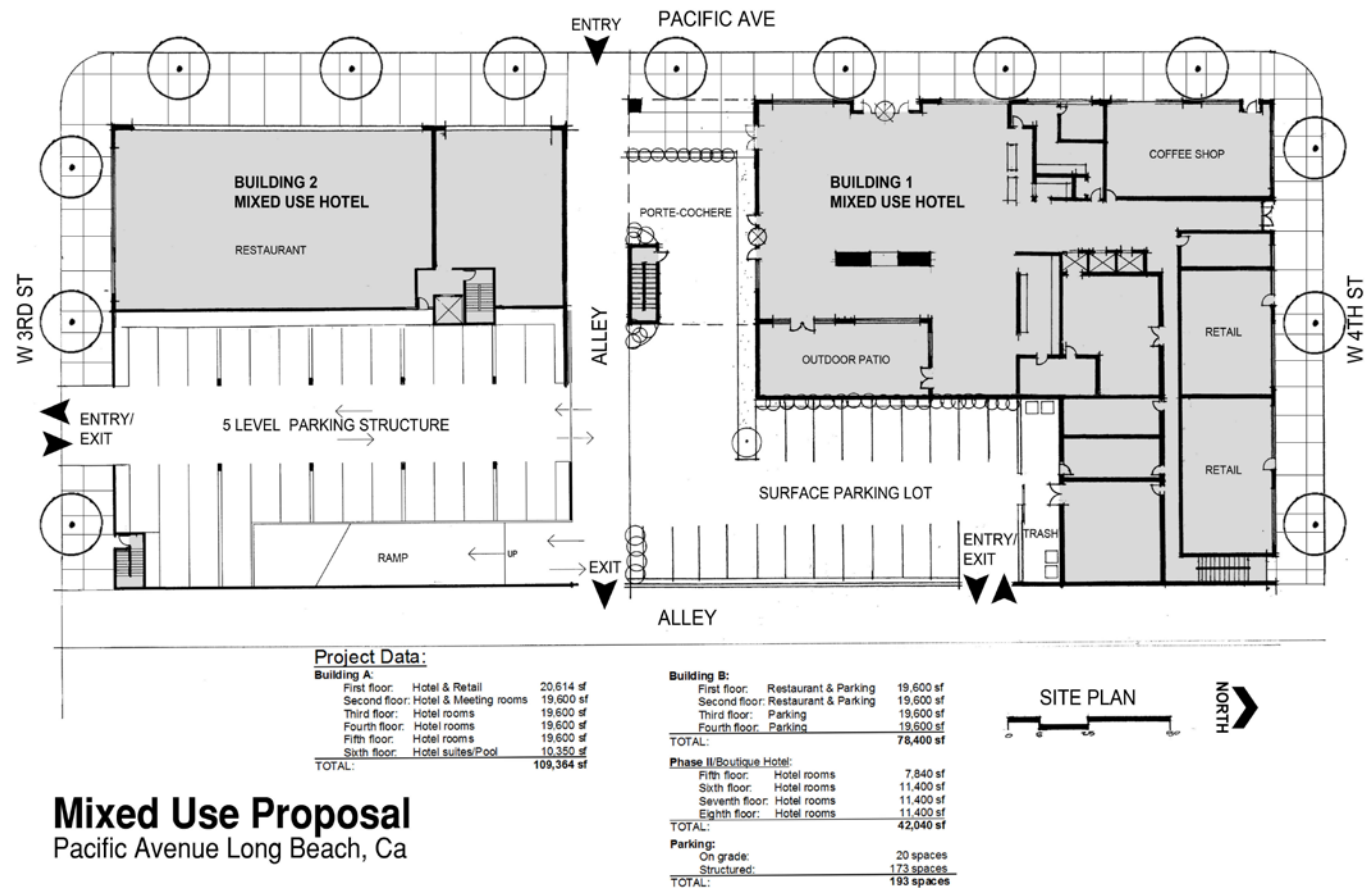
During the permitting phase, the StonePark team conducts exhaustive due diligence on contractors and conducts its own value engineering. For one recent project, the team solicited bids from 16 different contractors until they ultimately made

their selection due to the qualifications and suitability of the group. Once a project is under construction, **StonePark Capital** maintains a strong presence during construction and works hand in hand with the general contractors to ensure projects stay on budget and on time.



PERSPECTIVE
(LOOKING NORTH ALONG PACIFIC AVE)

Mixed Use Proposal
Pacific Avenue Long Beach, Ca



Mixed Use Proposal Pacific Avenue Long Beach, Ca

7 Asset Management

Although the specific strategy for each property varies, **StonePark Capital** takes on the asset management for each hotel once operational and works closely with Pacific Inns as their operating partner. The focus is to make sure each property is maximizing its revenue potential while ensuring that the asset is maintained in perfect

working order. This is where StonePark will again utilize the various available resources including the franchise, operating partner, as well as outside data providers. Managing the asset goes beyond being a strong steward for the real estate, but making sure the property is maximizing rate and occupancy potential and keeping a close eye on operating costs.

In the final analysis, StonePark Capital is dedicated to maximizing return and appreciation for their investors.



Santa Barbara, CA



“

Santa Barbara is one of the top tourist destinations on the West Coast, and we're proud that we have three hotels that can host visitors from around the world.”

Andrew Firestone
PRINCIPAL



Santa Barbara

Courtyard by Marriott



In 2012, Andrew Firestone and Jess Parker were responsible for the purchase of the existing 68 room, “Days Inn” located in downtown Santa Barbara. This exterior corridor hotel consisted of two buildings constructed originally in the 1960’s, and the land totaling 1.3 acres. This property operated as the independent “El Prado Inn” for decades under the ownership of the original family, until it was sold in 2008 and rebranded as a Days Inn. The two buildings were constructed separately and roughly six years apart, which accounted for the dramatic difference in architecture. The main building that housed 54 guest rooms and lobby was an exterior corridor, mid-century modern structure planted right on the corner of State and Arrellaga streets in the downtown section of Santa Barbara. The second

building followed later, which was home to 14 guest rooms in a classic drive-up, ranch style motel.

Although the property was built in a desirable location, the property was woefully underperforming its competitive set due to a lack of capital expenditure on the project over the years. The consensus was that the location was great, but the condition of the guest rooms and common areas was in dire need of a complete rehabilitation. Further, the positioning of the hotel needed to be changed in order to maximize the rate and occupancy potential. Rodger Forni had a long relationship with La Quinta Inns and Suites, and was able to get their executive team to Santa Barbara to review the project. With the commitment by Andrew and Jess to

PROJECT STATS

SANTA BARBARA, CA

Architect

The Cearnal Collective LLP /
Arris Studios

Contractor

Vernon Construction

Opening Date

Spring 2014

Expansion Completion

Winter 2023

Guest Rooms and Suites

122

Amenities

Rooftop Terrace
Poolside Bar and Lounge



renovate all guest rooms and common areas to the La Quinta standards, 1601 State Street was destined to raise a new franchise flag.

The common area improvement included a complete renovation of the lobby, including moving the entire front desk/check in area, increasing the height of the ceiling, the installation of a gift shop, and creating an entirely new breakfast area for guests. The guest rooms were completely renovated as well, with a number of

rooms getting reconfigured to create larger bathroom space. Each room was taken down to the studs, and rebuilt with new bathroom fixtures and tile, as well as completely new soft goods. We worked with renowned local architect and designer Brian Cearnal to efficiently utilize every square inch of the building, while creating a warm and interesting furniture and color palette that would complement the building.



The project required a significant equity raise (\$10,000,000) to complete the acquisition, and to fund the necessary improvements to the building and guest rooms. The balance of the financing (\$8,500,000) was provided by Rabobank, whose team saw the same potential in this project. The renovation would take approximately 14 months and was completed in multiple phases so that the hotel could remain operational, even during construction. This took careful coordination and scheduling, which was handled skillfully by Young Construction. The end result was nearly unrecognizable, with essentially every surface, from guest room to parking lot, having been renovated.

The results of the strategy were clear. . .the 12 months of operations under the new franchise with the newly renovated property resulted in doubling revenue from the 12 months prior to the acquisition.

After four years of successful operations, the **StonePark Capital** team embarked on an ambitious second phase of their plan to fully maximize the potential of the hotel. The second building housing the 14 rooms and laundry facility was only a single story, which does not utilize the allowable height in the area. StonePark again teamed up with Brian Cearnal



of the Cearnal Collective to study what would be the most effective use of the property.

The result was a gorgeous 52 room addition, utilizing a subterranean parking facility with two floors of guest rooms that would sit above a parking podium. Over 14 months, StonePark and Cearnal worked closely with the City of Santa Barbara to create a project that would be in congruence with not only the existing building, but of the surrounding neighborhood. Using similar lines and dimensions from the original mid-century modern building, Cearnal blended in more updated styles and designs to expand on the playful original design.



Upon completion in January of 2023, the hotel opened as a “Courtyard by Marriott”, with 122 total guest rooms, consisting of 96 newly constructed rooms, two rooftop decks, an expanded pool and exterior lounge area, meeting room, fitness center, and a new full-service poolside food and beverage facility named “Saint Remy”.

Santa Barbara

Mason Beach Inn

PROJECT STATS

SANTA BARBARA, CA

Architect

The Cearnal Collective LLP

Contractor

Vernon Construction

Opening Date

November 2018

Expansion Completion

Summer 2021

Guest Rooms

45

Amenities

Pool and Spa

Exterior Guest Lounge

Steps to the beach

In the Fall of 2018, the **StonePark Capital** team identified a unique opportunity to purchase the 45 room “Mason Beach Inn”, located just one block off Santa Barbara’s famous West Beach. This hotel had been built in 1986, and the original family still continued to own and operate the property, but were looking to sell the business and retire.

With over five years of hotel operation in Santa Barbara, Jess and Andrew understood the market and were actively looking for another project. The Mason Beach Inn seemed like a perfect opportunity to acquire a property located near Stearn’s Wharf and the Santa Barbara Harbor. The location of the property is in the heart of all of the main attractions of Santa Barbara, with restaurants, the beach, and Santa Barbara’s newly developed “Funk Zone” just steps away.



The 45 rooms of the hotel are all interior corridor with an elevator, with a cozy lobby and very pleasant exterior pool and common area for guests. A favorite of returning guests from all over the world, the property has a wonderful mix of generously sized single king and double queen guest rooms, and even three spacious suites. The two story structure boasts the style of Spanish architecture for which Santa Barbara has become famous, and having been newly built in 1986, represented one of the more recent hotel construction projects in the city. Although the food and beverage service at the hotel is limited to breakfast service, there are countless



restaurants, wine bars, and night spots in the area for guests to enjoy.

After extensive diligence on the project, the team concluded that there was significant upside potential in both rate and occupancy if professional management and creative marketing strategies were applied. In addition, the property was in need of a renovation of all guest rooms and common areas, including the pool deck and some exterior of the building.

In December of 2018, StonePark Capital closed on the acquisition of the property, and began operating the hotel.

StonePark Capital again teamed up with the renowned architecture and design team of the Cearnal Collective to refresh and position the property as a destination hotel near the beach. The renovation was completed in Summer 2020.





Santa Barbara

MOXY by Marriott

In the Spring of 2022, the **StonePark** team organized a 1031-Exchange from a sale of an asset to purchase the 31-room “Waterman Hotel” located in the heart of the Funk Zone in Downtown Santa Barbara. This property has thoughtfully designed guest rooms and common areas including a swimming pool that sits right on State Street, just a stone’s throw from the beach. Upon closing on the acquisition of the property, StonePark teamed up with Marriott to convert this property to the popular lifestyle brand “MOXY” by Marriott.

StonePark Capital partnered with design firm, Cadiz Collaboration to design the look and feel of the hotel that would be uniquely “Moxy”. This included the installation of a full service bar that would also double

as the reception desk, as is standard for all “Moxy” by Marriott hotels. The Cadiz team also curated furniture and art, some from local designers, that would give visitors a special experience at the property.

Located in the hottest tourist destination and labeled the “Funk Zone”, this booming part of town features local retail, restaurants, bars, and wine tasting rooms and is only steps to the famous Stearns Wharf and the white sand beaches of Santa Barbara. The look and feel of the property is very design forward, with playful colors and furniture design that speaks directly to the “Moxy” visitor. Though the room sizes are modest, the layout and design maximize guest utilization and make the stay at the property very memorable.



PROJECT STATS

SANTA BARBARA, CA

Acquisition Date

June 2022

Designer

Cadiz Collaboration

Guest Rooms

31

Amenities

Located in the heart of Santa Barbara’s “Funk Zone”

Full service Lobby Bar

Exterior Pool

San Luis Obispo, CA





“

San Luis Obispo is not only home to one of the West Coast's finest universities, but offers travelers access to the world famous Hearst Castle, Big Sur, and some of California's most beautiful coastline.”

Jess Parker
PRINCIPAL

San Luis Obispo, CA

Hotel Cerro, Autograph Collection by Marriott

PROJECT STATS

SAN LUIS OBISPO, CA

Acquisition Date

February 2023

Designer

Gensler

Guest Rooms

65

Amenities

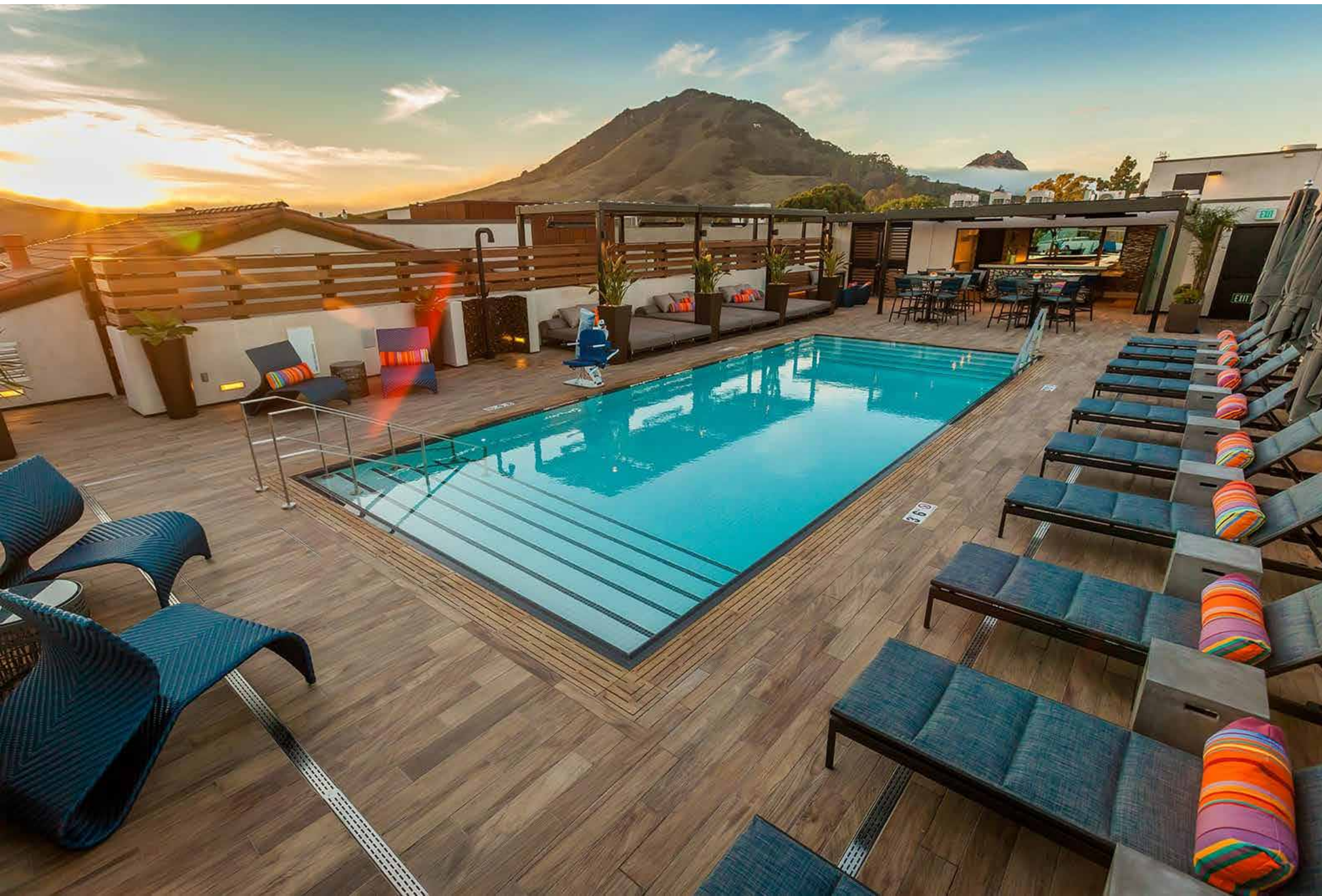
Full Service Restaurant
Rooftop Pool and Bar
Multiple Event Spaces
Full Service “Spa Cerro”
Fitness Facility
On site Distilling Production

In the winter of 2022, **StonePark Capital** purchased the 65-room independent “Hotel Cerro”, which included a full-service restaurant, spa, and rooftop pool and bar. This property is a beautiful luxury destination that is a wonderful example of adaptive re-use of existing historic buildings blended with modern new construction. The project was developed with the City of San Luis Obispo and recognizing the importance of this project the City leased land to accommodate a portion of the expansion of the space.

This downtown infill project was completed in 2020—immediately the hotel set the standard for luxury accommodations in San Luis Obispo. There are a variety of guest room types ranging from luxury King and Double Queen rooms to suites featuring step in bathtubs and patios with private fire pits that open to the second floor roof-garden.

There are multiple on-site food and beverage outlets, including the full-service “Oak Grill” restaurant, and the rooftop bar, “Headwaters”. Another unique feature regarding the food and beverage program on this property is the on-site distilling operation, which is currently operating and producing a variety of whiskey and other distilled spirits. The distilling operation is featured in a private dining and tasting room and is an attraction to visitors visible from the street.

One of the unique features of this property is the region’s only rooftop pool and deck which has 360 degree views of San Luis Obispo. This space features lounge chairs and three private seating areas, with food and beverage service being provided by “Headwaters”.





Inspired by the land and sea of California's Central Coast, Spa Cerro provides a range of luxurious health and wellness options that capture the uniqueness of this region. Located in Hotel Cerro, our 4,000-square-foot oasis of relaxation, restoration, and rejuvenation is artfully designed and ecologically conscious. The spa also features full men's and women's locker rooms with steam bath treatment as well as a Relaxation Quiet Room.



Upon acquisition of the property, **StonePark** coordinated with the renowned architecture and design team of Gensler to convert the property to an “Autograph by Marriott” property which was completed in the winter of 2023.



San Luis Obispo

La Quinta Inn & Suites by Wyndham

PROJECT STATS

SAN LUIS OBISPO, CA

Architect

Garcia Architecture
and Design

Contractor

Vernon Construction

Opening Date

Spring 2019

Guest Rooms and Suites

102

Amenities

Rooftop Pool and Spa
On Site Restaurant
Meeting Room
Expanded Fitness Facility

In November of 2013, **StonePark Capital** acquired two separate lots on Monterey Street in San Luis Obispo, CA totaling just under two acres. One lot (1865 Monterey Street) is home to a landmark restaurant originally named “1865 Restaurant”, and the other had a small home built in the early 1900’s. The property is located in the heart of the hotel district, and the existing use of the two lots seemed woefully underutilized. The properties border the San Luis Obispo Creek, which created a natural boundary at the back with stunning vistas.

This property was purchased in an off-market transaction after the StonePark Capital team uncovered a previous application for a hotel development. Andrew Firestone and Jess Parker approached the property owners and were able to make the acquisition in an “off –market” transaction.

This property was purchased with no guarantee that any development was possible, but only the existing restaurant and lease and a severely dilapidated home that was being rented. In fact, the previous history of development indicated that StonePark was in for a long process to make any improvements to the property.

StonePark Capital engaged Garcia Architecture and Design of San Luis Obispo, and worked closely with George Garcia, AIA who had been hired to work on the previous design on that property. The Garcia and StonePark teams worked closely together over the next 12 months to reimagine what was possible to both maximize the potential of the property, while also creating a project that would be of benefit to the community.





The result was a modern hotel design that included 102 guest rooms, subterranean parking facility, meeting room, workout facility, and common areas. Additionally, the project would end up renovating the entire 5,500 sq/ft restaurant and add a new lease tenant. Due to the constraints on the buildable area on the lot, the design required that the team maximized every square inch of the property.

The StonePark team encountered a very interested set of neighborhood organizations, who wanted to make sure that the design of the property

respected the surroundings of the idyllic San Luis Obispo community. The first meeting that was held with the City of San Luis Obispo was standing room only, and we were able to receive input from neighbors early on regarding the design of the building. Over the next 18 months and through a series of meetings and hearings with the Planning Commission, Architectural Review Commission and ultimately City Council, our project was approved in February of 2015.

Construction for the project broke ground in the Winter of 2016, and would span almost 20 months

to completion. The inclusion of a subterranean parking garage to satisfy the necessary parking requirements was the most complicated portion of this project. This required a significant amount of excavation work at the front end of this schedule to prepare the site for construction. Due to the space constraints on the site, as virtually every square inch of the property would be developed, the construction team skillfully managed the schedule and timing for each and every step of the process.



The property sits proudly on Monterey Street, and is an example of thoughtful modern architecture, design and construction. Inside is an incredibly efficient operating hotel, which incorporates all the latest hotel systems at our disposal, hidden artfully out of the site of our guests. This property has consistently performed at the top of its competitive set, and has earned numerous brand awards from Wyndham Hotels. The 5,500 square foot “1865 Craft House and Kitchen” also re-opened, which is an on-site, full service restaurant serving both the local community and hotel guests.



Timeline

StonePark Progress Over the Years

WINTER

20
12

Purchase
Days Inn
Santa Barbara,
CA

SPRING

20
14

Re-brand
Days Inn as
La Quinta Inn
and Suites

FALL

20
14

Purchase
San Luis Obispo,
CA development
site

SPRING

20
15

Purchase
Morgan Hill, CA
development
site

SUMMER

20
16

Open
La Quinta Inn
& Suites
by Wyndham
Morgan Hill, CA

SPRING

20
17

Purchase
Santa Rosa, CA
development
site

WINTER

20
18

Purchase
Mason Beach
Inn
Santa Barbara,
CA



SPRING

20
19

Open
La Quinta Inn
& Suites
by Wyndham
San Luis Obispo,
CA

FALL

20
20

Open
La Quinta Inn
& Suites
by Wyndham
Santa Rosa, CA

SPRING

20
22

Sell
La Quinta Inn
& Suites
by Wyndham
Morgan Hill, CA

SUMMER

20
22

Purchase
The Waterman
Hotel (MOXY)
Santa Barbara,
CA

FALL

20
22

Purchase
The Miramar
Apartments
Denver, CO

WINTER

20
22

Open
The Courtyard
by Marriott
Santa Barbara,
CA

WINTER

20
23

Purchase
Hotel Cerro,
Autograph
Collection by
Marriott
San Luis Obispo,
CA

Morgan Hill, CA





“Our Morgan Hill property is perfectly located to allow our business travelers easy access to Silicon Valley, while also offering a wide range of outdoor family activities for leisure guests.”

Andrew Firestone
PRINCIPAL




LA QUINTA

LA QUINTA

1704

Morgan Hill

La Quinta Inn & Suites by Wyndham



In the Spring of 2014, **StonePark Capital** identified a 2.6 acre undeveloped property in the city of Morgan Hill, CA, approximately 20 miles south of San Jose. With the aid of the La Quinta development team, numerous cities were evaluated for a new construction opportunity. The goal was to find an opportunity to construct a new “Del Sol” prototype that had recently been developed by La Quinta.

Due to increasing land prices in the Bay Area, the search took months with little results. An opportunity presented itself in Morgan Hill, though the existing Planned Use Development(PUD) for the property was for a 2- story 50 room hotel with a 9,000 sq/ft restaurant space. This overlay for development was a result of the city’s previous no-growth strategy that was put in place over a decade earlier. The constraints of the allowed

development would not pencil for a new construction project. However, the StonePark team recognized that the size and location of the property would be ideal for a “Del Sol” development if it were permitted.

In August of 2014, StonePark was under contract for the property, and immediately started the process of amending the existing PUD. The case presented by **StonePark Capital** to the Planning Commission and City Council was that the PUD overlay that was created over a decade ago would ensure that nothing was ever built on this prime piece of highway frontage. There was little chance a developer would ever take on a project with so few rooms and such poor use of land.

Over the next few months Andrew Firestone and Jess Parker worked closely with the City of Morgan Hill’s economic development team, with the

PROJECT STATS

MORGAN HILL, CA

Architect

Carter Case Designs

Contractor

E.A. White

Opening Date

July 2016

Guest Rooms

104

Amenities

Indoor Pool and Spa
Conference Room
Exterior Terrace and Fire Pit
Expanded Exercise Room



intention of lifting the stifling building restrictions and allowing for a project that would be a good addition to the community. In February of 2015, the Morgan Hill City Council voted unanimously in favor the project, which included a four story 104 room hotel, with up to a 4,000 sq ft drive through restaurant space.

Upon receiving entitlements to proceed with the project, StonePark closed on the acquisition of the property and promptly began creating building plans to be submitted for permits. Due to the fact that this was to be the first “Del Sol” prototype on the West Coast, the StonePark and La Quinta teams worked closely together to ensure a smooth construction timeline. In July of 2015 the new Morgan Hill La Quinta Inns and Suites broke ground.

StonePark Capital was able to keep the majority of the \$15,000,000 project management in house, hiring an owners representative to oversee the construction and disbursements to the contractor. The team was able to keep an aggressive 12 month construction schedule, and opened almost exactly a year from breaking ground. Eight months after completing construction and opening the property, StonePark Capital was awarded “Best New Construction” by La Quinta at their annual conference in Dallas, TX.



In the Spring of 2022, StonePark Management sold the asset in an off-market transaction and successfully transitioned the partnership through a 1031-Exchange, to ensure tax efficient management of profits.



Santa Rosa, CA





“

Located in the heart of Sonoma County, Santa Rosa is located just north of San Francisco and the gateway to some of the world's most famous wineries.”

Andrew Firestone
PRINCIPAL

Santa Rosa

La Quinta Inn & Suites by Wyndham

PROJECT STATS

SANTA ROSA, CA

Architect

Terry Architects

Contractor

Lenzi Construction

Opening Date

Fall 2020

Guest Rooms

100

Amenities

Exterior Pool and Terrace
Expanded Exercise Room
Bar and Lounge

The world famous Sonoma Wine Country was an attractive location to develop a hotel for the StonePark Capital team. After recent success with the Morgan Hill La Quinta “Del Sol” development, the team was eager to replicate the same strategy and build another “Del Sol” hotel in a highly visible location that was near the center of the city. In the spring of 2016, Andrew Firestone and Jess Parker identified and closed the acquisition of a piece of property adjacent to the freeway in Santa Rosa, CA.

The Design Review Board of Santa Rosa was particularly interested in this project, due to its prominent position

on the 101 Freeway. It was clear that they would require the team to create a project that was unique and represented a “sense of place”. Over multiple meetings with the Board, **StonePark** was successful in designing a modified version of the “Del Sol” that utilized unique finishes to the exterior of the building including timber and stone, which was more characteristic of the Santa Rosa aesthetic. This allowed the hotel to keep the same architecture and engineering, but allowed for a unique look and feel.

In order to accommodate the category of guest expected in this region, the design team incorporated a number of other ideas including 4th floor balconies, and an exterior pool and







firepit. The common spaces in the lobby were also reconfigured to allow room for a bar and lounge area, with a custom interior design by the renowned Santa Barbara designer, AB Design Studio.

The construction was interrupted by the COVID-19 pandemic, but the team persisted in getting the hotel open in September of 2020.



Denver, CO



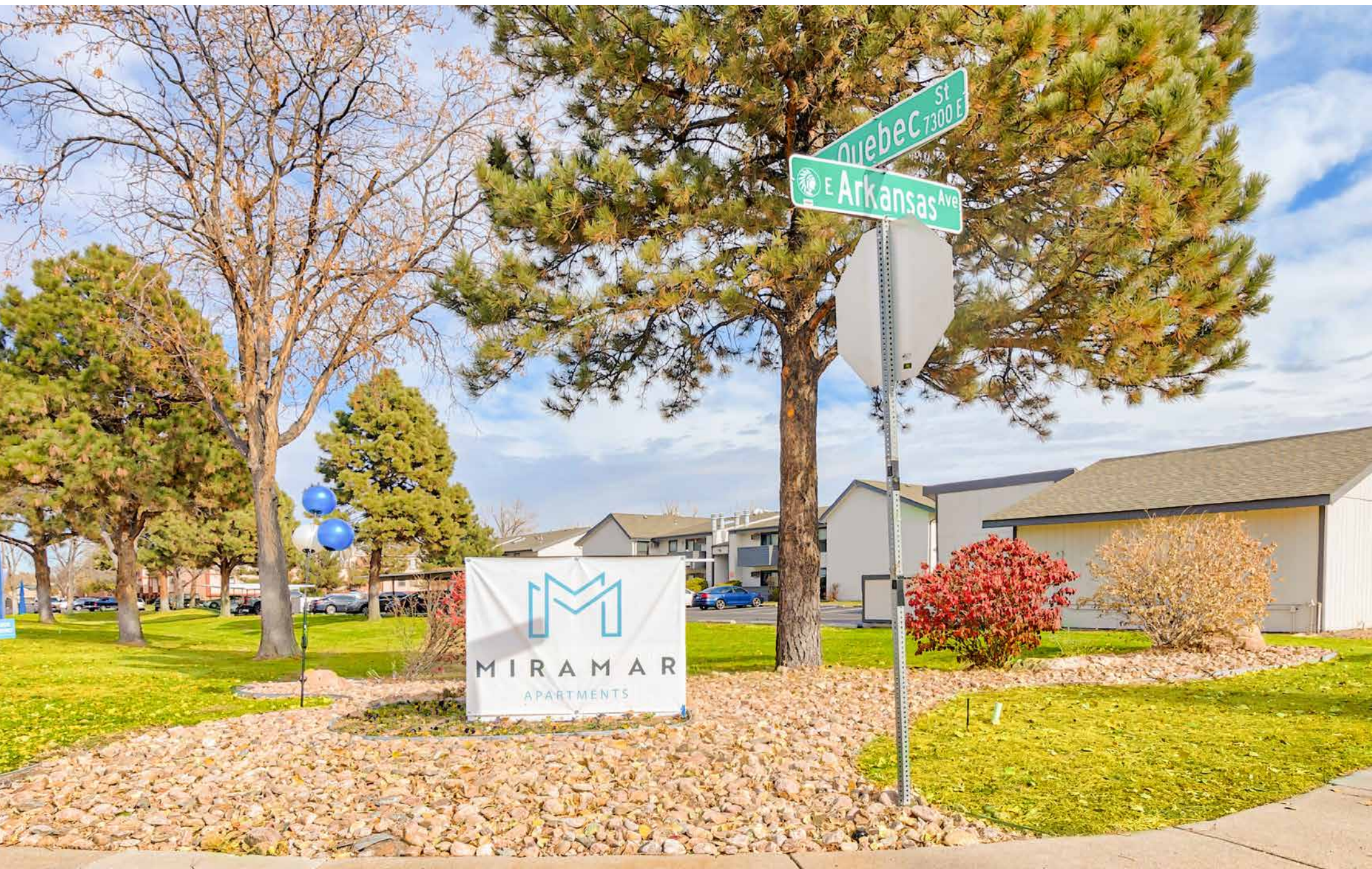
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“

The Miramar Apartments are located in a growth market, with an opportunity for us to add value to the property over time through unit upgrades, resulting in revenue growth and increases to asset valuations.”

Andrew Firestone
PRINCIPAL



Denver, CO

The Miramar Apartments

StonePark Capital closed on the purchase of the 235-unit Miramar Apartments in partnership with The Paskin Group, a Santa Barbara based residential real estate development company. This transaction was completed in September of 2022 as part of a 1031-Exchange, with **StonePark Capital** taking a minority position in the partnership. Upon closing on this project, the team immediately began the process of updating units and investing in a capital improvement plan to improve rental and occupancy rates that had lagged below the neighboring market.

This complex is in a highly desirable location in the Cherry Creek school district, which is the top Independent School District in metro Denver. The property lies comfortably within affluent and attractive single-family homes. Miramar is in close proximity to the two major employment hubs of Denver; downtown and the Denver Technology Center, which will continue to drive renter demand as the region expands. With affordable current rents, The Miramar Apartments are a low-cost housing option in the area which presents a great opportunity to increase rents.

PROJECT STATS

DENVER, CO

Acquisition Date

October 2022

Units

235









Let's break new ground together.

StoneParkCapital.com