



Investment Memorandum — April 2026

cp philo hospitality fund 1

Hotel Acquisition Fund

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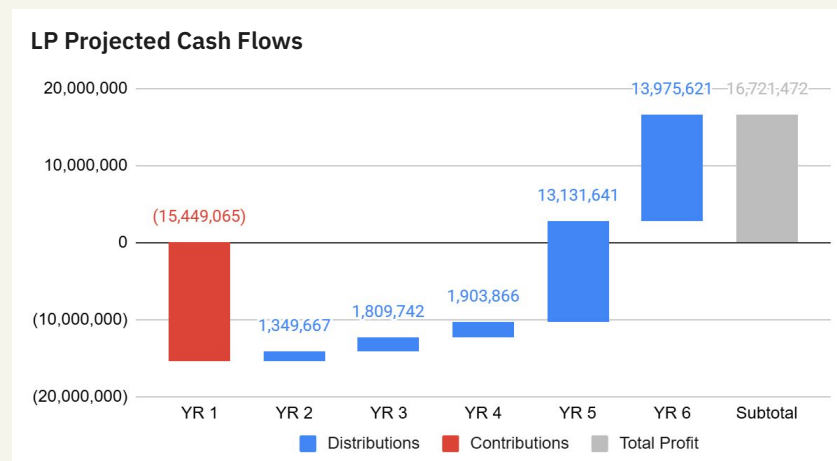
Investment Opportunity

OVERVIEW

Philo Ventures is launching a hotel acquisition fund - Philo Hospitality Fund 1 - specializing in hotels proximate to outdoor leisure demand drivers. Philo is seeking \$15M of LP Capital to acquire approximately three assets, though the final count may vary based on individual asset size.

The fund will focus on light- to mid-value-add leveraged hotel acquisitions proximate to outdoor leisure demand drivers. Value add items include rebranding as well as operational, capital, and cosmetic improvements.

Investment Metrics	
Target Portfolio	3 Assets
Minimum Investment	\$150,000
Equity Target	\$15,000,000
Target Hold Period	72 Months
Projected LP IRR	17.37%
Multiple On Invested Capital	2.08x



LP Projected Total Cash Flow as % of Investment *					
YR 1	YR 2	YR 3	YR 4	YR 5	YR 6
0.00%	8.72%	11.69%	12.30%	84.82%	90.27%

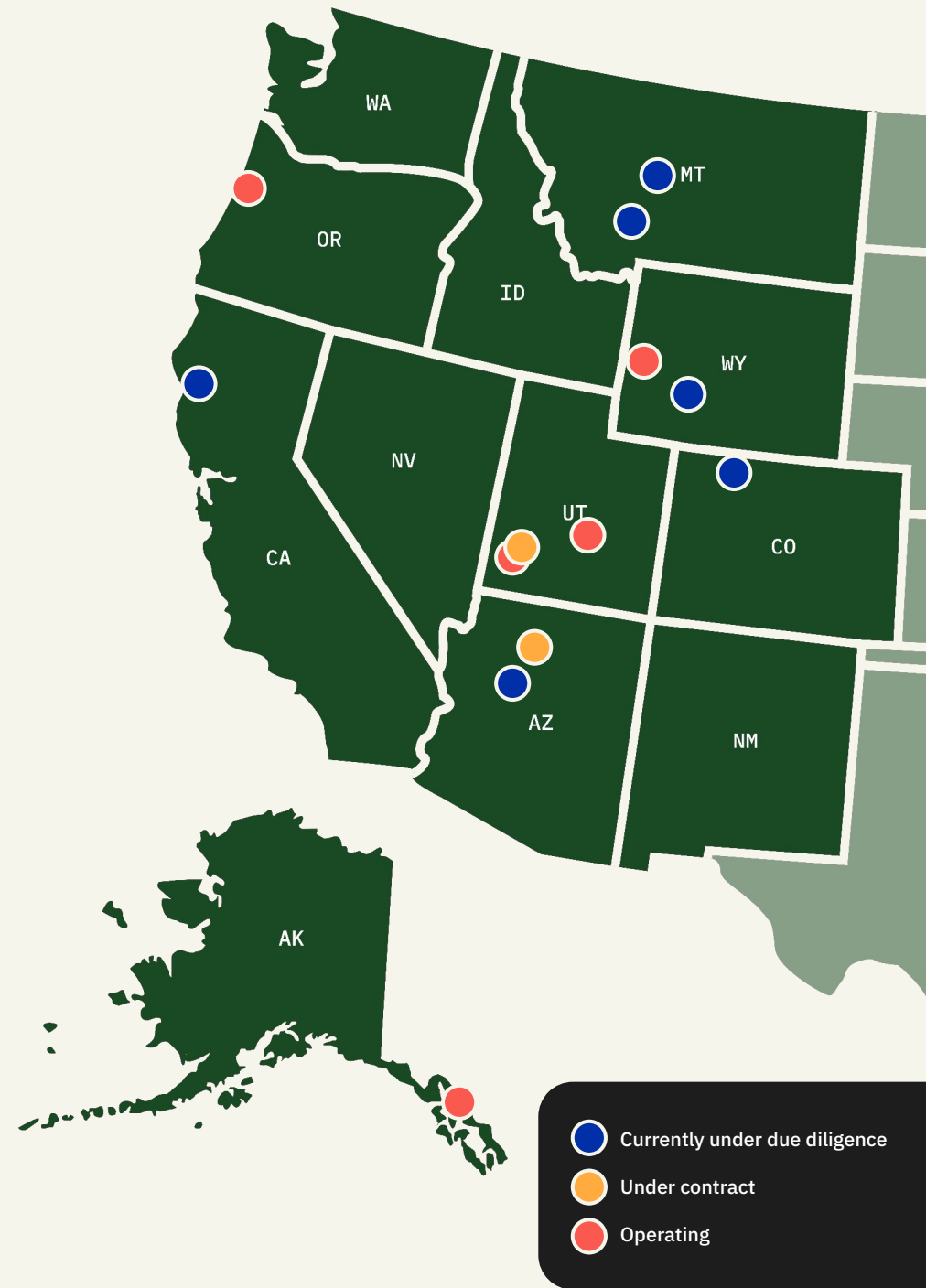
* Inclusive of return of capital and disposition proceeds

Investment Thesis and Pipeline

Philo Hospitality is actively building a robust pipeline of opportunities to add to our hospitality portfolio.

We are acquiring non-branded or midscale/economy branded hospitality properties proximate to outdoor leisure demand drivers.

We believe there is significant opportunity for growth in this segment, as many of these properties are owner operated. Through implementing industry standard processes and technology, we optimize operations and drive sustainable performance improvements.



Φ Sponsor Overview

Assets under management: **\$229M**

Founded: **2020**

Headquarters: **PLEASANT GROVE, UT**

Number of Employees: **50**

FOUNDED IN 2020, Philo Ventures is a family office-backed investment platform focused on hospitality acquisition and operations, land development, and early-stage B2B software.

PHILO HOSPITALITY is our vertically integrated hotel management platform, with decades of experience operating boutique assets in high-demand outdoor leisure markets.

PHILO DEVELOPMENT is our development & construction management arm, allowing us to execute renovations and capital projects in-house, driving cost discipline, quality control, and operational alignment.



TAMMAH JACKSON HOLE
Jackson Hole, WY



THE LANDING
Ketchikan, AK



SURFSIDE RESORT
Rockaway, OR



BROKEN SPUR INN
Capitol Reef, UT



ZION PROMENADE HOTEL
St. George, UT

Meet the Team



M. Chad Staheli

CEO

Manages all parties within the project

Oversees investment committee approval of new fund assets and major asset decisions, including financing and dispositions



Greg Whitehead

Managing Partner

Leads the hotel acquisition sourcing team

Develops comprehensive asset business plans from start to finish

Oversees the transition to operations and development teams



Scott Evanson

General Partner

Raises required project and fund equity

Oversees investor relations, providing frequent project- and fund-level updates

Collaborates with the operations team to ensure projects meet projections



Jon Hooke

President of Hospitality

Manages post-closing transition to operations

Ensures renovations and CapEx plans are operationally sound

Implements property management technologies and operational efficiencies

Oversees onsite management team

Meet the Team (cont.)



Easton Hill

VP of Hospitality

Sources acquisition opportunities

Leads preliminary seller negotiations on opportunities

Coordinates due diligence efforts between all stakeholders



John Eau Claire

Portfolio Manager

Specializes in optimizing operational infrastructure, financials, and on-site teams

Leads and supports general managers

Analyzes market trends and asset performance



Bailey Broderick

Ops Coordinator

Coordinates the execution of property-level projects

Performs labor analysis, forecasting, and process improvement

Assists with group sales efforts and KPI monitoring and strategy



Keller Haws

Marketing Manager

Optimizes SEO to improve property visibility

Develops and executes portfolio wide website optimization, social media, and ads

Ensures consistent brand positioning across the portfolio

Meet the Team (cont.)



Tracy Stratton

VP of Development

Creates renovation execution plan

Oversees renovation budgets

Vets, hires, and coordinates onsite renovation team



Brett Keenan

CFO & General Counsel

Manages all fund and property level legal documents

Oversees property and fund level financial reporting and tax documentation

Sources and manages lending partners on each project



Amanda Price

Marketing & PR

Provides input on exterior and interior building design and theme

Creates all site and building signage

Leads full-scale marketing efforts to increase the properties online and public images



Connor Bell

Principal-FP&A & Investments





Creates and updates fund and asset financial models

Works with marketing to create materials to assist in equity and debt capital raise

Leads sensitivity financial analysis to inform investment committee decisions

Track Record

Philo Track Record - Hospitality

Asset Name	Broken Spur Inn	Tammah	The Landing	Zion Promenade	Surfside Resort
Image					
Location	Capitol Reef, UT	Jackson Hole, WY	Ketchikan, AK	St. George, UT	Rockaway Beach, OR
# of Rooms	61	11	107	52	70
Acquired/Built Date	Jul-2022	May-2024	Aug-2024	Feb-2025	Feb-2026
Purchase Price/Build Cost	\$4.3M(Acq)	\$2.9M(Built)	\$18.5M(Acq)	\$5.0M(Acq)	\$10.3M(Acq)
Current Valuation	\$9.2M	\$4.2M	\$18.5M	\$5.0M	\$10.3M
Valuation Methodology	2025 NOI/(9.00% Cap Rate)	2025 NOI/(10.00% Cap Rate)	Basis - Currently in Renovation & Value Add Period	Basis - Currently in Renovation & Value Add Period	Basis - Currently in Renovation & Value Add Period

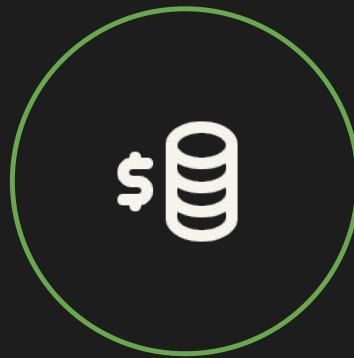
Fund Thesis

The fund acquires, renovates, and optimizes midscale hospitality properties in outdoor recreation markets. Low institutional interest in owner-operated properties allows us to acquire these assets below market value. Once repositioned through improved design, capital infusions, and modern processes, we believe these properties will trade at market cap rates.



OWNER OPERATED

Owners lack a succession plan & often provide flexible terms to a trusted buyer



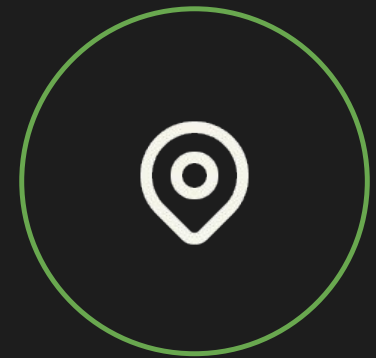
FAVORABLE VALUATION

Our significant pipeline development allows identification, diligence, & acquisition at below replacement costs



VALUE ADD OPPORTUNITIES

Meaningful P&L improvements and optimization gained through our in-house management team and meaningful capital improvements

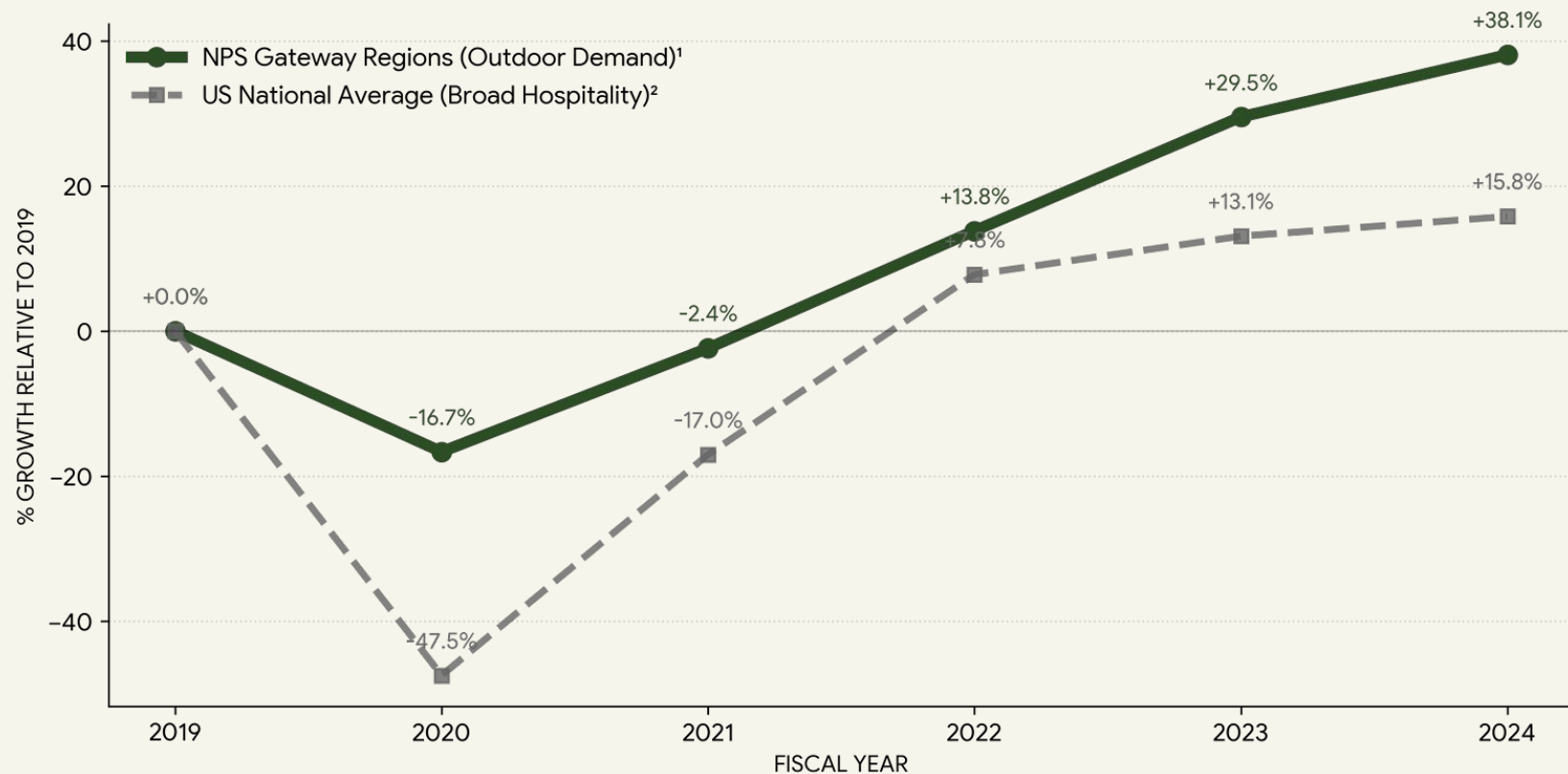


DESTINATION LOCALE

Market risk protection provided, in part, with a focus on affordable destinations

Outdoor Demand Resilience

Outdoor destinations offer superior leisure resilience because "drive-to" demand remains significantly more stable than international or "fly-to" travel during downturns. Consumers frequently substitute expensive air-based vacations for premium domestic road trips, leading National Park gateway regions to retain nearly double the RevPAR of urban markets during recent economic stress. This structural shift allowed gateway spending to rebound a full year ahead of the national average, ultimately surging 38.1% above pre-pandemic levels.



1). NPS Social Science Program, "2024 National Park Visitor Spending Effects," released Sept 2025.

2). STR/CoSTAR Census of U.S. Hospitality Performance. Values reflect U.S. National Hotel RevPAR, indexed to 2019 pre-pandemic baseline.

Pipeline Properties

Ramada - Williams, Arizona

Rooms: **120**

Projected Purchase Price: **\$9.9M**

Projected Renovation Costs: **\$5.2M**

Going In NOI/Projected Stab. NOI: **\$440K / \$1.7M**

Amenities: **Leased Steakhouse, Indoor Pool & Hot Tub**

Business Plan: **Remove Ramada brand, complete renovation, and rebrand as an upper midscale boutique hotel.**



Red Lion Inn - St. George, Utah

Rooms: **164**

Projected Purchase Price: **\$15M**

Projected Renovation Costs: **\$6.9M**

Going In NOI/Projected Stab. NOI: **\$1.1M / \$2.7M**

Amenities: **Indoor/Outdoor Pool, Onsite Restaurant Space, Sports Court, Mini Golf, Game Room, Gym, Oversized Rooms**

Business Plan: **Remove Red Lion brand, complete renovation, and rebrand as an upscale branded or boutique hotel.**



Case Study

THE BROKEN SPUR, ACQUIRED 2022

Location: Capitol Reef, Utah

Units: 51 Hotel Rooms, 10 Glamping Units

Purchase Price/Current Valuation: **\$4.3M / \$9.2M**

2022 Revenue/2025 Revenue: **\$2.5M / \$3.5M**

2022 NOI/2025 NOI: **\$525K / \$828K**



SUMMARY

Broken Spur Inn & Steakhouse is a 61 room property that also includes 10 glamping wagons, a steakhouse, & commercial bakery. It is located near Capitol Reef National Park in Torrey, UT. In 2022, Philo acquired and invested \$1.44M (\$28k/unit) in renovations. The impact of this project was a 58% increase in NOI with revenue growing from \$2.5M to \$3.5M upon stabilization.



Capital Structure

FUND LEVEL

Investment Metrics	
Target Portfolio	3 Assets
Minimum Investment	\$150,000
Equity Target	\$15,000,000
Target Hold Period	72 Months
Projected LP IRR	17.37%
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Fund Terms	
Waterfall Terms	8.00% LP Preferred Return with Return of Capital 50-50 GP Catch-Up to 20% total distributions 80-20 LP-GP Split up to 14% LP IRR 70-30 LP-GP Split Above 14% LP IRR 50-50 LP-GP Split Above 20% LP IRR
Asset Management Fee*	1.00% of Equity Contributions per annum
Acquisition Fee*	1.00% of Purchase Price
Disposition Fee*	1.00% of Sales Price
Pre Deployed Cash Allocation	High Yield Money Market Account
Deployment Period	12 Months
Fund Capacity	\$15,000,000

* Fee is waived for investments of \$1M or more

ASSET LEVEL - PROTOTYPICAL

Asset Level Metrics	
Purchase Price	\$12,748,233
Rooms	140
Renovation Costs	\$2,800,000
YR 1 Revenue/YR 5 Revenue	\$4.3M/\$5.3M
YR 1 NOI/YR 5 NOI	\$1.3M/\$1.9M
Exit Cap Rate	9.00%
Exit Sales Price	\$21,620,757

Capital Sources	
Fund Equity	\$5,004,356
Project Debt	\$10,953,763
Total Sources	\$15,958,119

Capital Uses	
Asset Purchase Price	\$12,748,233
Renovations	\$2,800,000
Working Capital	\$100,000
Acquisition/Loan Closing Costs	\$309,886
Total Uses	\$15,958,119

Risk Factors

1. CONCENTRATION RISK

The fund targets three assets across outdoor leisure markets in the western U.S. Limited diversification means underperformance at a single property has an outsized impact on fund returns.

4. BRAND TRANSITION RISK

The business plan for pipeline assets involves removing existing franchise affiliations and rebranding. Loss of franchise reservation systems and loyalty program traffic during the transition period may temporarily reduce occupancy and revenue.

2. RENOVATION & EXECUTION RISK

Each acquisition involves a capital improvement plan. Construction delays, cost overruns, permitting issues, or supply chain disruptions could extend timelines and reduce projected returns.

5. ILLIQUIDITY

Fund interests are not publicly traded and are subject to transfer restrictions. Investors should expect to hold their investment for the full 72-month hold period with limited ability to liquidate prior to disposition of fund assets.

3. SEASONALITY RISK

Properties near national parks and recreation areas typically generate a disproportionate share of revenue during peak summer months, creating cash flow variability.

6. OPERATOR DEPENDENCE

Fund performance relies on Philo Hospitality's ability to execute property management, renovation oversight, and operational improvements across multiple assets simultaneously.

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