

Geolo Capital Sells Iconic Ventana Big Sur Resort for \$148 Million, achieves a record \$2.5 million per-key price for a North American resort

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SAN FRANCISCO--(BUSINESS WIRE)--Geolo Capital, the private equity investment arm of the John Pritzker family office, and its joint-venture partner Wanxiang America Real Estate, recently announced the sale of the iconic Ventana Big Sur, an Alila Resort, to an affiliate of the Hyatt Hotels Corporation for \$148 million. The transaction achieves a record \$2.5 million per-key price for a North American resort.¹

After acquiring Ventana in 2015 and quickly leveraging its vertically integrated design and development, asset management and legacy hotel operating businesses, Geolo transformed the property into one of the most acclaimed and financially successful resorts in North America.

“We saw substantial unrealized value in controlling 59 of Big Sur’s 100 available full-service guestrooms and understood the potential to raise average daily rates following a comprehensive renovation, rebrand and repositioning,” said John Pritzker, Geolo Founding Partner and Director. “There is an old saying, ‘Always leave the campground better than you found it.’ We’ve been the stewards of Ventana for the past six years and are incredibly proud of the improvements we’ve made to the property. I am thrilled that Hyatt will be the steward of Ventana Big Sur’s next chapter.”

The sale marks Geolo’s successful roundtrip investment of the Ventana Big Sur resort, as well as its investment in the Alila brand - a company which Geolo acquired in 2014, attached to Ventana in 2017, and sold to Hyatt in 2018.

Mark Hoplamazian, President and CEO of Hyatt commented, “Our partnership with Geolo and Wanxiang over these past years has been a pleasure and enormously rewarding. We are respectful of Ventana’s long history in Big Sur and its place in the pantheon of iconic resorts. We look forward to continuing the legacy of this great and iconic property.”

Geolo’s strategy at Ventana was drawn from elements of its playbook from the successful repositioning of Carmel Valley Ranch, a property it acquired and transformed in 2009. This included focusing on extensive experiential programming as pillars of the reimagined resort. Originally developed in 1975, Ventana had a 40-year track record of operations. Geolo took the property to the next level, challenging the status quo both in terms of operations and physical improvements, by investing \$23 million to complete a major renovation.

Geolo’s improvements to the property included updating all 59 guestrooms and the team paid special attention to highlighting the property’s incredible outdoor vistas spread throughout the resort’s 160 acres. Safari-style camping tents were created in the resort’s century-old redwood grove, the architecturally distinctive Glass House Gallery was constructed and an underutilized parking lot was converted into a sweeping ocean meadow.

Following the repositioning and Ventana’s alignment with the Alila brand, the property grew to achieve the highest revenue per available room of any hotel across Hyatt’s 1000+ global hotels and resorts.

Geolo’s ownership of Ventana did not come without its challenges. The six-year story was punctuated by two major wildfires, three record-breaking mudslides and the Covid-19 pandemic. At the onset of the Covid-19 pandemic, Geolo saw tremendous opportunity to utilize the resort’s remote location, low density and natural physical distancing characteristics as a strategic advantage. The resort re-opened as an all-inclusive property, generating record revenue per available room, bottom line profitability and guest satisfaction.

(1) Hodges Ward Elliott and Real Capital Analytics 2021