



Hotel Equities announces strategic alliance with The Witness Group, assumes management of 36-hotel portfolio

ATLANTA — (September 22, 2020) — Hotel ownership, management and development firm, [Hotel Equities](#) (“HE”), and its global private equity affiliate, [Virtua Partners](#) (“Virtua”), announced they have entered into a strategic alliance with [The Witness Group](#) (“TWG”), a premier hospitality development and investment group. Hotel Equities transitioned and assumed operations of The Witness Group’s portfolio of 36 hotels on September 1. Brands represented are Marriott, Hilton, IHG and Hyatt.

Discussions on the strategic alliance began in early 2020. After identifying immediate synergy in company culture, values and vision, the conversations resulted in joining forces to enhance operational management of the TWG portfolio of properties allowing them to further focus on growth and create new opportunities for their team members within the best in industry HE platform. HE and its affiliate Virtua Partners will focus on future transactions, conversions and new development generating a significant value-add for investors, associates and all parties involved.

HE President and CEO Brad Rahinsky explained, “The Witness Group’s stellar reputation, development expertise and commitment to their associates combined with Hotel Equities industry leading business intelligence systems, best in class training programs, development services and operating platform were complimentary factors which led to this milestone for both of our organizations. Most important is the fact that we are aligned in company culture, vision and goals. We have a shared desire to create a unique and powerful platform for our associates to help them fulfil their aspirations and find purpose and meaning within the hospitality industry. This was not a transaction rushed into to hit a number. This relationship established over many months of conversations, face-to-face meetings and genuine dialogue is a true partnership founded on trust and shared values and goals.”

“We’re excited to be partnering with Hotel Equities and Virtua Partners, who are equally committed to empowering our associates, improving our existing management and operational efficiencies and delivering value for investors,” expressed Sagar Patel, TWG chief investment officer. “Their proven track record of long-term success and team development, in addition to the strong bond fostered by our shared values, will drive the growth of the firms and our associates.”

TWG Chief Development Officer Aakash Patel added, “While we put the conversations on pause in March with COVID, we eventually picked back up early summer recognizing this as a

rare window to integrate platforms with less interruption to business. We think this better positions us for the rebound.”

HE’s Chief Development Officer Joe Reardon described the transaction as two companies who bring the right ingredients to the table to achieve much more together. “As we continue to ramp back up to 2019 levels the 1+1=3 mentality is so important to success,” said Reardon. “Merging best-in-class teams, resources and procurement cost savings will expand our footprint together and create significant opportunity for all stakeholders. We could not be more excited and see the potential for other partnerships moving forward.

TWG’s Chief Administrative Officer Sachin Patel has always been focused on the people part of the business and anticipates his teams will benefit from a larger support system and shared best practices. He added, “most importantly, this will give our property and corporate teams a better platform to learn through HE’s training programs and leverage the additional opportunities available to them in the larger portfolio.”

Transitioning the 36 hotels into HE’s portfolio began on September 1st commencing with a series of intimate town hall meetings between both firm’s executive leadership teams. HE’s Chief Operating Officer Bryan DeCort shared that as part of the integration process, Hotel Equities has welcomed 500+ new associates to the team who will benefit from HE’s best-in-class training as well as growth opportunities within both companies. “HE has invested heavily in our people and infrastructure to ensure we are consistently driving improvement across all our KPI’s,” said DeCort. “We lead with performance which creates stability and growth opportunities for our associates and improved profitability for all of our stakeholders.”

With this alliance also comes the expansion for HE and Virtua into the Midwest. “We are excited to expand our presence into the Heartland. Utilizing both team’s knowledge and expertise will create a smooth transition,” said Quinn Palomino, co-founder and principal of Virtua Partners. “We consider ourselves to be results-driven companies with strong and distinct cultures.

About Hotel Equities

Hotel Equities is an Atlanta-based full-scale hotel ownership, management and development firm with a portfolio of 160+ hotels and projects throughout the United States and Canada. Frederick W. Cerrone, CHA, serves as Founder and Chairman; Brad Rahinsky serves as President and CEO. For more information, visit www.hotelequities.com.

About Virtua Partners

Virtua Partners is a global private-equity firm specializing in commercial real estate. Virtua Partners and HE finalized their merger earlier this year. Virtua Partners and its affiliates sponsor a variety of investment funds and commercial real estate projects across North America. Virtua Partners’ goal is to provide superior risk-adjusted returns for accredited investors and family offices through comprehensive strategies, rigorous underwriting, and careful execution. For more information, visit virtuapartners.com.

About The Witness Group

The Witness Group is a Columbus-based real estate investment and development company specializing in hospitality with a portfolio of over 35 assets throughout the Midwest. Sachin Patel, Sagar Patel and Aakash Patel serve as the Principals and Executive Leadership Team. For more information, visit www.thewitnessgroup.com.

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