



Nasdaq: LUXH, LUXHP

# DISCLAIMER

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## **Forward Looking Statements**

This presentation contains certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended). The statements contained in this presentation that are not purely historical are forward-looking statements. Forward-looking statements include, but are not limited to, statements regarding expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Generally, the words “anticipates,” “believes,” “continues,” “could,” “estimates,” “expects,” “intends,” “may,” “might,” “plans,” “possible,” “potential,” “predicts,” “projects,” “should,” “would” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this presentation may include, for example, statements with respect to financial and operational guidance, the success of the Company’s collaboration with Wyndham Hotels & Resorts, scheduled property openings, expected closing of noted lease transactions, the Company’s ability to continue closing on additional leases for properties in the Company’s pipeline, as well as the Company’s anticipated ability to commercialize efficiently and profitably the properties it leases and will lease in the future. The forward-looking statements contained in this presentation are based on current expectations and belief concerning future developments and their potential effect on the Company. There can be no assurance that future developments will be those that have been anticipated. These forward-looking statements are subject to a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results of performance to be materially different from those expressed or implied by these forward-looking statements, including those set forth under the caption “Risk Factors” in our public filings with the SEC, including in Item 1A of our 10-K for the year ended December 31, 2022, and any updates to those factors as set forth in subsequent Quarterly Reports on Form 10-Q or other public filings with the SEC. The forward-looking information and forward-looking statements contained in this presentation are made as of the date of this presentation, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws.

## **Non-GAAP Information**

The Company defines cash net income as net income (loss) before non-cash financing costs, non-cash stock compensation expense, non-cash stock option expense, non-cash rent amortization expense, accrued taxes, non-cash issuance of common stock for operating expenses, and depreciation. The Company believes that cash net income is useful to investors as a measure of a company’s operating performance, without regard to generally non-recurring items and non-cash activity. The Company seeks to achieve profitable, long-term growth by monitoring and analyzing key operating metrics, including EBITDA. The Company defines EBITDA as net income (loss) before interest, taxes, financing costs, depreciation and amortization, stock compensation expense and stock option expense, and incremental costs associated with its exit from SoBeNY. The Company defines net debt as current and long-term loans payable and short-term financing costs (together, total debt) less cash and cash equivalents. The Company’s management uses these non-GAAP financial metrics and related computations to evaluate and manage the business and to plan and make near and long-term operating and strategic decisions. The management team believes these non-GAAP financial metrics are useful to investors to provide supplemental information in addition to the GAAP financial results. Management reviews the use of its primary key operating metrics from time-to-time. EBITDA, net debt and cash net income are not intended to be a substitute for any GAAP financial measure and as calculated, may not be comparable to similarly titled measures of performance of other companies in other industries or within the same industry. The Company’s management team believes it is useful to provide investors with the same financial information that it uses internally to make comparisons of historical operating results, identify trends in underlying operating results, and evaluate its business. For purposes of the guidance provided herein for the years ended December 31, 2023 and December 31, 2024, however, estimating such GAAP measures with the required precision necessary to provide a meaningful reconciliation could not be accomplished without unreasonable effort. Non-GAAP measures for future periods, which cannot be reconciled to the most comparable GAAP financial measures are calculated in a manner which is consistent with the accounting policies applied in the Company’s consolidated financial statements. A reconciliation of net income (loss) to EBITDA and net income (loss) to cash net income is included in the financial tables included with this presentation.



## WHO WE ARE

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Capitalizing on historic opportunity to lease dislocated and underutilized hotels in destination cities at favorable economics

Rent out rooms in leased properties to vacation and business travelers

Asset light business model:

25+ year operating leases / minimal capital requirements /  
outsized ROE opportunity

2023 & 2024: Estimating significant growth in net rental revenue,  
EBITDA, and rooms available for rent

Eliminated long-term debt

Focus on growth via non-dilutive funding



Partnership with Wyndham Hotels & Resorts (NYSE: WH)  
expected to accelerate growth

- WH to fund ~ 50% or more of LUXH acquisition costs
- WH sales / distribution / technology platform will help drive RevPAR, expand margins, improve customer experience



# AT A GLANCE



## 147%

Net Rental Revenue CAGR  
2022-2024 (E)\*

## 181%

EBITDA CAGR  
2022-2024 (E)\*

## 1,559

Rooms Available for Rent  
November 8, 2023

## 2,750

Rooms Under Long-Term  
Master Lease Agreement  
at 12/31/2023 (E)\*

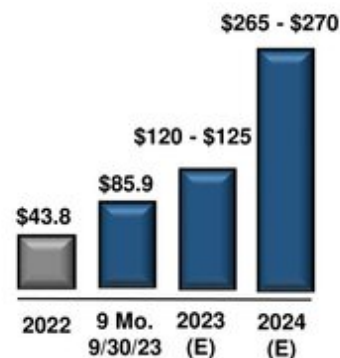
## 17.8

Average Lease Life (Years)  
on Current Portfolio  
at September 30, 2023\*\*

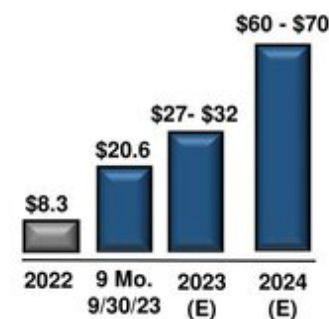
## 100+M

Members in Wyndham  
Guest Rewards Program

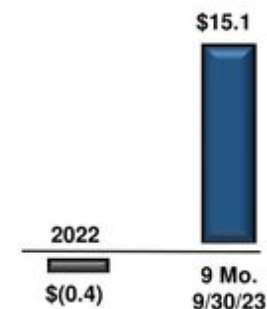
### Net Rental Revenue



### EBITDA



### Cash Net Income



### 2023 Financial Targets

**30% - 40%**  
Gross Margin

**10% - 12%**  
SG&A\*\*\*

**20% - 25%**  
EBITDA

\*measured at midpoint of estimate \*\*includes lease extension options, at LuxUrban's option

\*\*\*excluding non-cash items



# ASSET LIGHT GROWTH STRATEGY

Identify low-cost, long-term (target 25-35 years) Triple Net Lease lease opportunities at dislocated hotel properties

Adhere to strict deal terms and operating controls

Apply proprietary algorithms to determine profit and cash flow potential

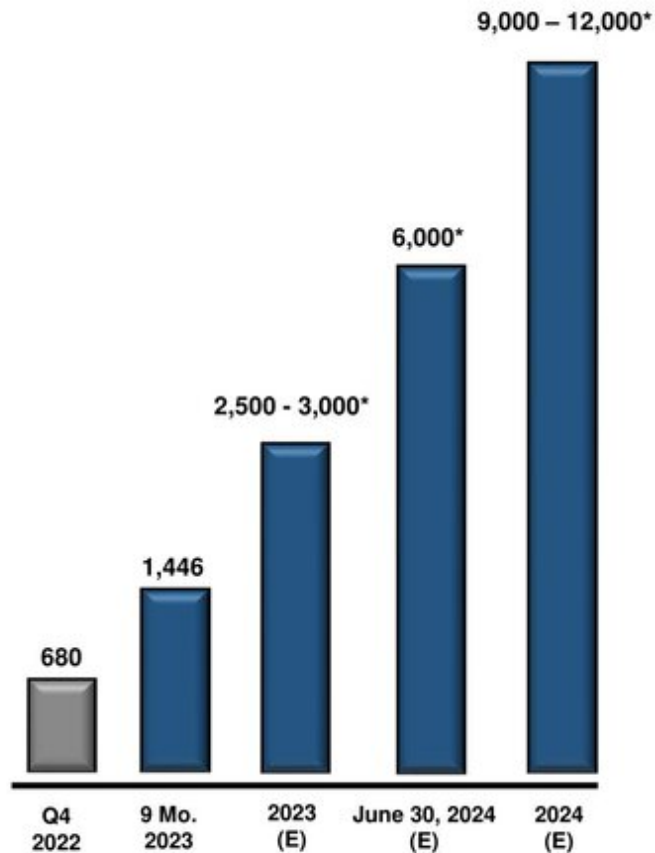
Build geographic density, target new cities

Leverage financial, brand and operating advantages of Wyndham relationship to increase RevPAR, drive margin expansion, and generate increased cash flow



# PROPERTY OVERVIEW

Hotel Rooms Available for Rent



\* Under Master Lease Agreement

<b>September 30, 2023</b> <b>16 properties operational</b> <b>1,446 units available for rent</b>				
New York	Miami Beach	Los Angeles	Washington, DC	New Orleans
8	5	1	1	1
987 Units	252 Units	68 Units	79 Units	60 Units

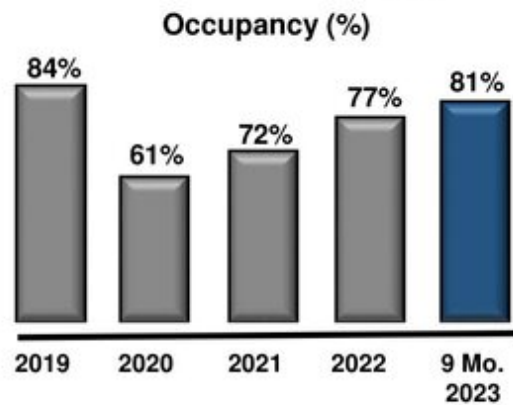
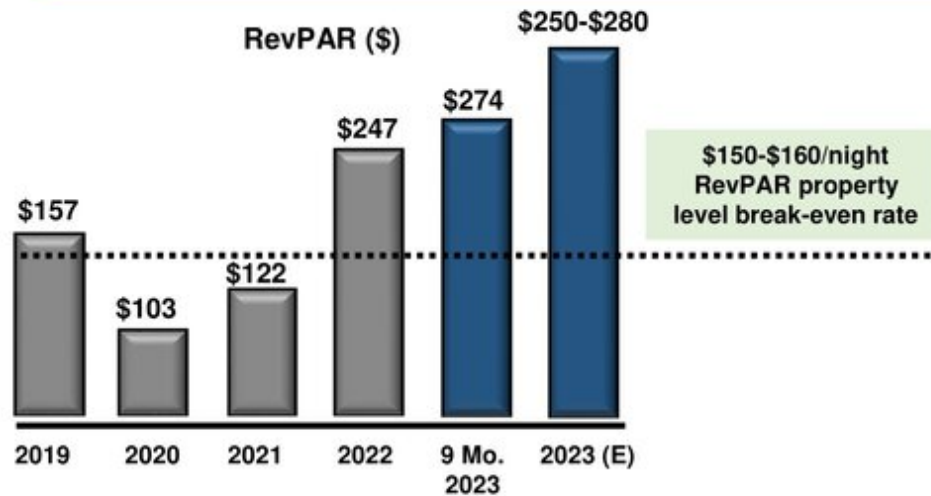
  

<b>November 2023</b> <b>21 properties under lease**</b> <b>2,032 units*</b>				
New York	Miami Beach	Los Angeles	Washington, DC	New Orleans
12	5	2	1	1
1,394 Units	252 Units	247 Units	79 Units	60 Units

\*\* including those under lease but not yet available for rent

# UNIT ECONOMICS

We Believe We Have One of the Lowest Per-Night Property Level Breakeven Costs in the Markets We Serve



RevPAR defined as: revenue per available unit (net revenue / avg. units available during the period)



# WYNDHAM COLLABORATION OVERVIEW



Initial 17 LuxUrban Hotels onboarded to Wyndham platform

Opportunity to introduce additional properties into the brand throughout course of relationship

Term of 15-20 years, with LuxUrban maintaining operational control

Wyndham to provide financial, sales and operational support, including growth & working capital



95+  
Countries

~9,100  
Hotels

852,000  
Rooms

24  
Global Brands



## WYNDHAM COLLABORATION BENEFITS

Wyndham provides ~50% or more of all acquisition capital  
*If LUXH deploys \$100 M of MLA security deposits made by LUXH,  
then Wyndham reimburses \$50+ M of capital to LUXH for additional  
growth & working capital*

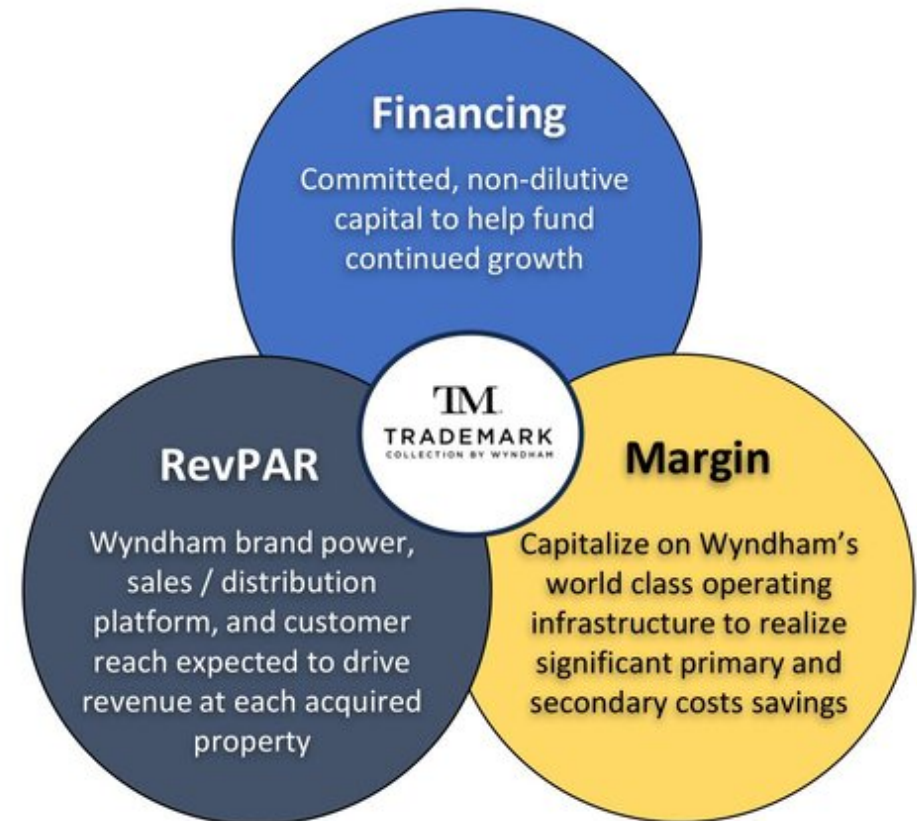
Property Improvement Plan (PIP) capital capped at 50%  
of Wyndham reimbursement, with LUXH eligible  
to retain unused portion

PIP investments expected to drive RevPAR,  
elevate customer experience, and preserve / enhance  
asset value for LUXH and property owner

Access to 100+ M member Wyndham Rewards Program,  
which accounts for one out of every two U.S. bookings

Onboarding to Wyndham's booking channels expected to reduce  
OTA costs by up to 33% from prior costs incurred by LUXH

Secondary benefits related to staffing and operations also  
expected to materialize beginning in 2024



# WYNDHAM COLLABORATION OVERVIEW



**Individuality**, backed by the world's largest hotel company<sup>1</sup>

**102%** RevPAR index outperforms its upper midscale competition<sup>2</sup>

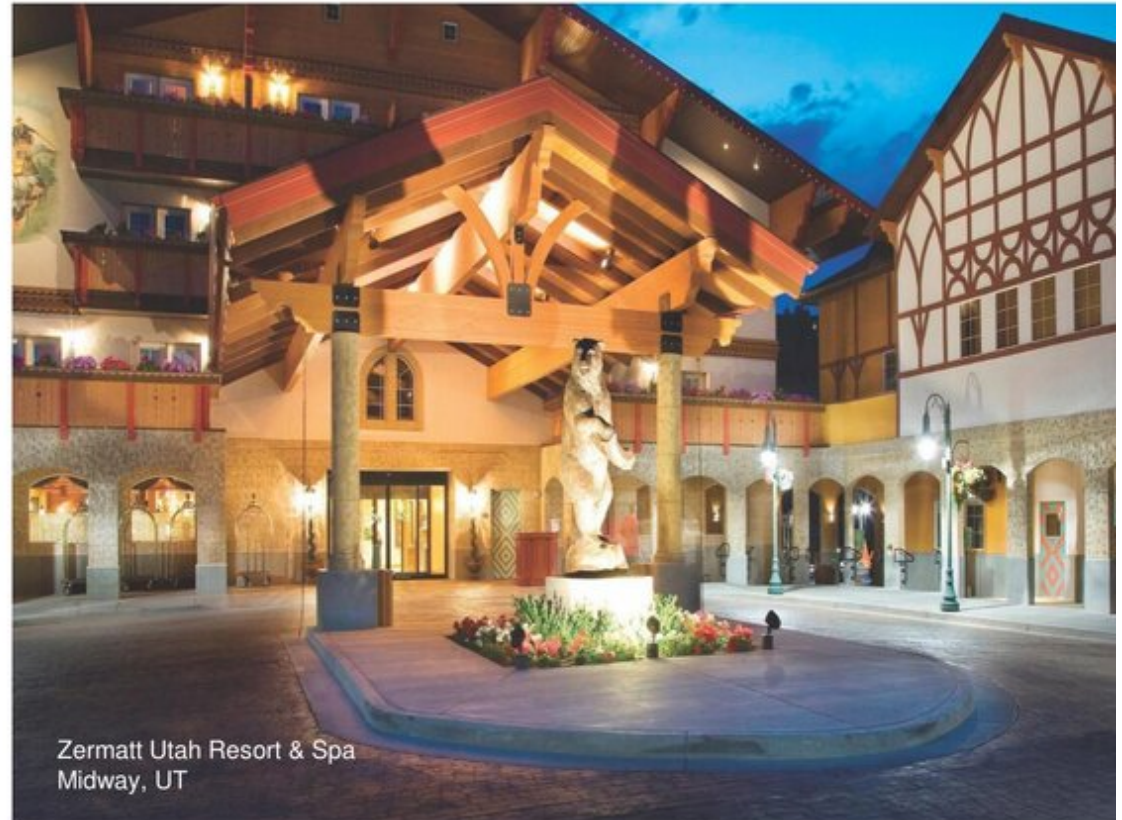
**62%** total U.S. central reservations contribution with 35% of total stays contributed by WR members

**96%** of hotels with 3.5+ on TripAdvisor gives guests confidence to book<sup>3</sup>

**50%** franchised growth since 2019<sup>4</sup>

**Win-win solution** for owners of distressed properties via collaboration with LuxUrban

<sup>1</sup>Based on number of hotels. <sup>2</sup>Numbers presented are based on averages for Qualified Franchisees in the U.S. during 2021 as available in the Supplemental Financial Performance Representation dated April 15, 2022. <sup>3</sup>9 (40.9%) of the Qualified Franchisees whose data was disclosed met or exceeded the RPI presented. Your results may differ. <sup>4</sup>TripAdvisor data through 12/31/2021. <sup>5</sup>As of 12/31/2021.



Zermatt Utah Resort & Spa  
Midway, UT



# POTENTIAL VALUATION

## LUXH equity upside is significant based on current market 2024E EBITDA multiples

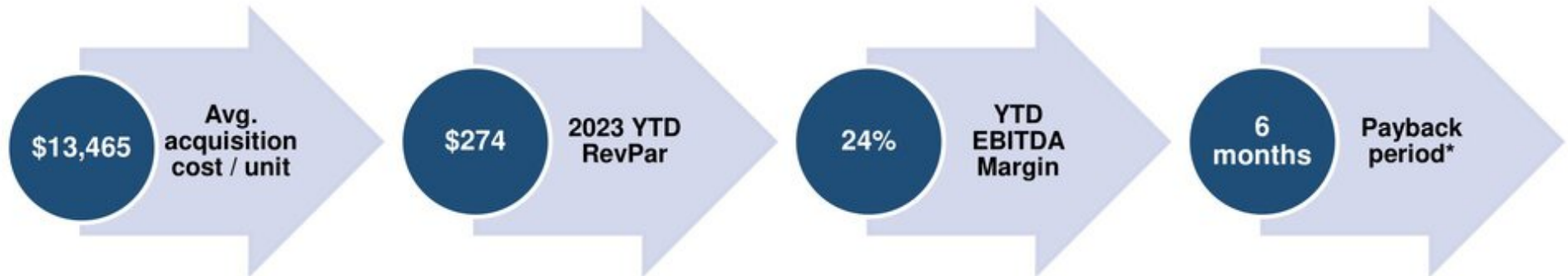
(as of September 30, 2023)

Without Leases			With Leases		
Cash	\$	(4,798,580)	Cash	\$	(4,798,580)
Current Debt		3,802,932	Current Debt		3,802,932
Current Lease		NA	Current Lease		6,434,704
Long-Term Debt		1,409,844	Long-Term Debt		1,409,844
Long-Term Lease		NA	Long-Term Lease		232,801,915
<b>Net Debt</b>	<b>\$</b>	<b>414,196</b>	<b>Net Debt</b>	<b>\$</b>	<b>239,650,815</b>
Diluted Weighted Average Shares Outstanding		45,433,166			
Share Price	\$	4.50			
Equity Value	\$	204,449,247	Equity Value	\$	204,449,247
Enterprise Value	\$	204,863,443	Enterprise Value	\$	444,100,062
<b>LUXH Guidance</b>		<b>Low High</b>	<b>LUXH Guidance</b>		<b>Low High</b>
2024 EBITDA		60,000,000 70,000,000	2024 EBITDA		60,000,000 70,000,000
			Cash Rent Add-Back		40,000,000 50,000,000
			2024 EBITDAR		100,000,000 120,000,000
Implied LUXH		3.4x 2.9x	Implied LUXH		4.4x 3.7x
<b>Market Multiples</b>					
2024 EBITDA - Low		10.0x 15.0x			
<b>LUXH Price @ Market Multiples</b>	<b>\$</b>	<b>13.20 \$ 23.10</b>			

Normalizing  
for "debt" on  
the balance  
sheet

Significant potential equity appreciation opportunity over the coming months

## PROPERTY ACQUISITION MATH



Six-month payback period on acquisition capital deployed.

\* Payback period:  $\$13,465 \text{ avg. acquisition cost} / [(\$274 \text{ RevPar} * 365 \text{ days} * 24\% \text{ EBITDA margin}) / 12 \text{ months}]$



# WYNDHAM "KEY MONEY" MATH

(\$ in thousands)

## Illustrative Wyndham Math

The O Hotel  
Los Angeles, CA

This analysis excludes EBITDA from investments, i.e. initial \$10 M invested would provide \$48 M of EBITDA over the period outlined below (assuming 10 quarters)\*

Wyndham key money recycled into new deals creates a perpetual ongoing cycle of new capital coming into the business for working capital and growth.

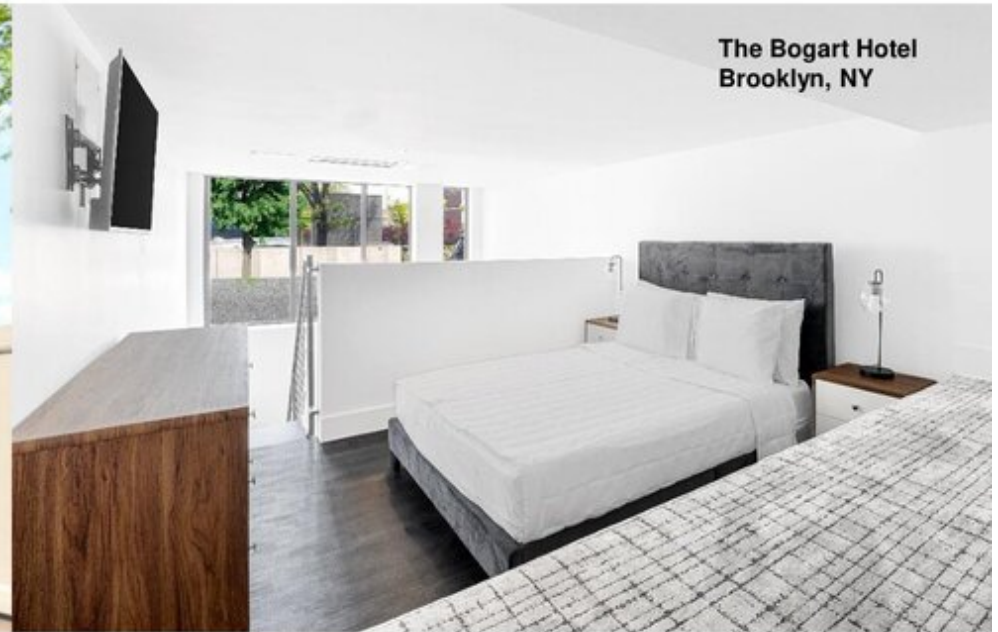
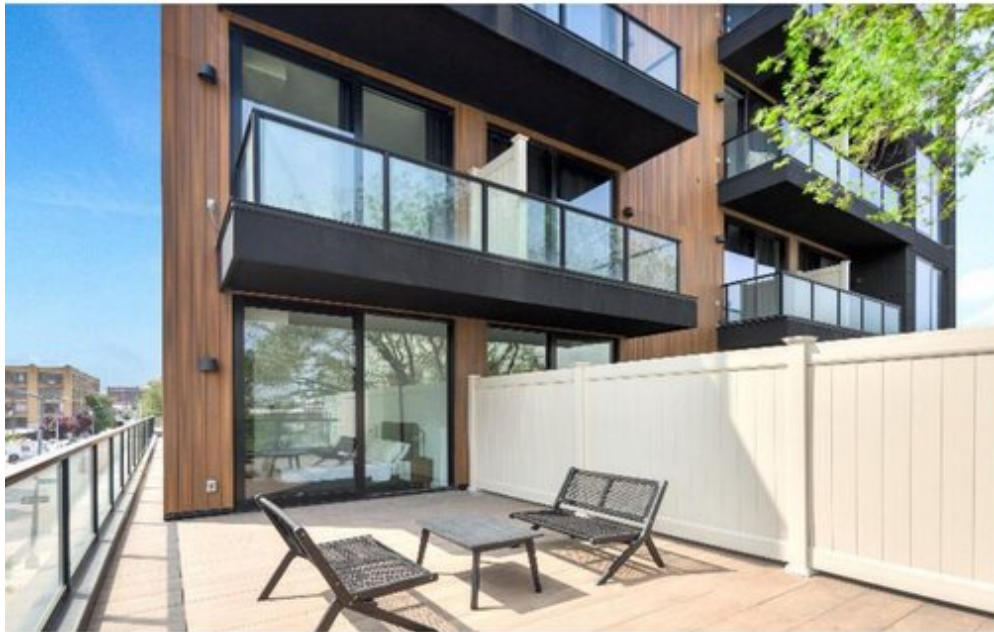
Key money recycle **DOUBLES** our investment into new units  
**EXCLUDING RECYCLED EBITDA**

\$ 7,500	Capital Invested	\$ 12,500
	<b>\$ 10,000</b>	
	\$ 5,000	
	\$ 2,500	
	\$ 1,250	
	\$ 625	
	\$ 313	
	\$ 156	
	\$ 78	
	\$ 39	
	\$ 20	
	\$ 10	
<b>Total</b>	<b>\$ 14,993</b>	<b>\$ 19,990</b>
		<b>\$ 24,988</b>

\* \$10 M invested / \$13,554 per unit = 738 units @ \$291 YTD RevPar x 25% YTD EBITDA margin x 10 quarters presented (assuming a "recycle" a quarter) = ~\$48 M

## APPENDIX

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**The Bogart Hotel  
Brooklyn, NY**



# THE ADDRESSABLE MARKET

## Historic Timing Opportunity and Growing Pipeline



\$900 BN of U.S. commercial-property loans set to mature in 2023 and 2024

Loans are coming due in an increasingly risk-averse environment created by higher borrowing costs and falling asset prices

This is creating challenges for owners / operators to refinance these properties

LuxUrban's pipeline opportunity extends out to 2027 when the largest amount of annual CRE of \$500 BN of debt matures

This provides LuxUrban with over 1,860 hotels in the 5 current markets it serves, with maturing obligations out to 2027 encompassing 297,000 hotel rooms

Source: <https://nypost.com/2023/04/10/default-risk-grows-on-1-5-trillion-in-commercial-real-estate-debt-analysts/>

### Volume of Maturing Commercial Property Loans by Lender Type

*Front-loaded maturity wall*



Source: <https://www.msci.com/www/quick-take/cmbs-dominates-first-wave-of/03740236548>

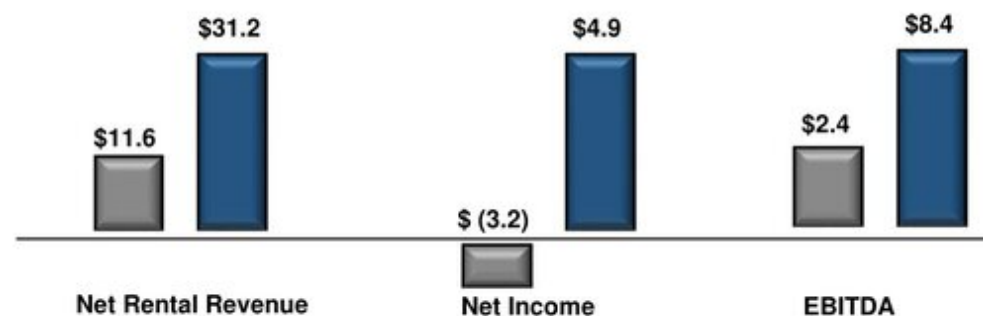
## Q3 2023 FINANCIAL OVERVIEW (\$ in Ms)

### Q3 2023 v. Q3 2022

Record net rental revenue and EBITDA

First ever quarterly GAAP net income

1,446 units available for rent



### September 30, 2023 v. December 31, 2022

Cash position increased 4x

Total debt\* and net debt\*\* declined

Shareholders' Equity improved by ~\$25 M



\* Total Debt is comprised of short-term business financing, current loans payable and non-current loans payable

\*\* Net Debt is comprised of Total Debt minus Cash & Cash Equivalents

# FINANCIAL RESULTS OVERVIEW

(\$ in 000s; unaudited)



Condensed Consolidated Statements of Operations	Q3 2023	Q3 2022	9 Mo. 2023	9 Mo. 2022
Net Rental Revenue	\$ 31,208	\$ 11,575	\$ 85,884	\$ 30,876
Gross Profit	\$ 7,812	\$ 4,889	\$ 23,353	\$ 10,259
General and Administrative Expenses	\$ 1,982	\$ 4,953	\$ 9,297	\$ 6,818
Total Operating Expenses	\$ 2,723	\$ 5,311	\$ 12,355	\$ 7,176
Income from Operations	\$ 5,089	\$ (422)	\$ 10,998	\$ 3,083
Non-Cash Financing Costs	--	\$ (4,072)	\$ (30,227)	\$ (4,072)
Net Income (Loss)	\$ 4,935	\$ (3,218)	\$ (24,620)	\$ (1,036)
EBITDA	\$ 8,419	\$ 2,369	\$ 20,559	\$ 7,666
Cash Net Income	\$ 5,657	\$ 846	\$ 15,093	\$ 4,233

Balance Sheet Summary	September 30, 2023	December 31, 2022
Cash & Cash Equivalents	\$ 4,799	\$ 1,076
Current Assets	\$ 28,129	\$ 11,548
Total Assets	\$ 282,265	\$ 107,963
Total Liabilities	\$ 260,787	\$ 111,255
Stockholders' Equity (Deficit)	\$ 21,478	\$ (3,292)



## RECONCILIATION TABLES

### Net Loss to EBITDA and Cash Net Income



	For The Three Months Ended		For The Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
Net Income (Loss)	\$ 4,934,800	\$ (3,217,562)	\$ (24,620,395)	\$ (1,035,720)
Provision for Income Taxes and Other Taxes	(1,999,498)	(750,000)	15,702	-
Interest and Financing Costs	2,185,202	79,500	5,505,708	1,239,379
Non-Cash Compensation Expense	260,846	151,741	690,842	151,741
Non-Cash Issuance of Common Stock for Operating Expenses	334,081	-	2,003,211	-
Non-Cash Stock Option Expense	146,707	206,545	519,094	206,545
Non-Cash Rent Expense Amortization	1,952,599	(11,471)	6,187,540	1,191,431
Depreciation Expense	27,228	2,464	70,106	5,020
Non-Cash Financing Costs	-	4,072,078	30,227,289	4,072,078
Exit SoBeNY Costs	-	1,835,571	-	1,835,571
Employee and Other Settlements	576,788	-	-	-
EBITDA	\$ 8,418,754	\$ 2,368,866	\$ 20,599,098	\$ 7,666,045
Net Income (Loss)	\$ 4,934,800	\$ (3,217,562)	\$ (24,620,395)	\$ (1,035,720)
Non-Cash Compensation Expense	260,846	-	690,842	-
Non-Cash Issuance of Common Stock for Operating Expenses	334,081	-	2,003,211	-
Non-Cash Stock Option Expense	146,707	-	519,094	-
Non-Cash Rent Expense Amortization	1,952,599	(11,471)	6,187,540	1,191,431
Accrued Taxes	(1,999,498)	-	15,702	-
Depreciation Expense	27,228	2,464	70,106	5,020
Non-Cash Financing Costs	-	4,072,078	30,227,289	4,072,078
Cash Net Income	\$ 5,656,764	\$ 845,509	\$ 15,093,390	\$ 4,232,809

## RECONCILIATION TABLES

### Net Loss to EBITDA and Cash Net Income



	For The Years Ended December 31,	
	2022	2021
Net Loss	\$ (9,390,353)	\$ (2,233,384)
Provision for Income Taxes and Other Taxes	591,968	-
Interest and Financing Costs	7,518,267	1,626,565
Depreciation and Amortization Expense	2,071,054	-
Stock Compensation Expense	2,547,536	-
Incremental Processing and Channel Financing Fees for Credit Risk	2,527,543	-
Non-Cash Lease Asset Loss Depreciation Charge	2,385,995	-
EBITDA	\$ 8,252,010	\$ (606,819)
Cash Exit Apartment Rental Costs	4,103,898	-
Adjusted EBITDA	\$ 12,355,908	\$ (606,819)
Net Loss	\$ (9,390,353)	\$ (2,233,384)
Stock Compensation Expense	2,547,536	-
Depreciation and Amortization Expense	2,071,054	-
Non-Cash Lease Asset Loss Depreciation Charge	2,385,995	-
Non-Financing Charges	2,034,376	-
Cash Net Income	\$ (351,392)	\$ (2,233,384)
Cash Exit Apartment Rental Costs	4,103,898	-
Adjusted Cash Net Income	\$ 3,752,506	\$ (2,233,384)