

THE CANYONS COLLECTION



EXECUTIVE SUMMARY

Cliffrose Group is pleased to present The Canyons Collection, a premier hospitality portfolio opportunity in the heart of Kanab, Utah, a town emerging as one of the Southwest's most desirable boutique tourism markets. The offering includes two operating hotels, Canyons Hotel and Canyons Lodge along with an owner's suite and dedicated employee housing. Together, these assets represent a rare chance to acquire a well-established, highly rated collection with immediate brand conversion potential and long-term appreciation upside.

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Kanab has evolved from a stopover for National Park visitors into a true destination for high-end adventure travelers, known for its film history, outdoor and agriculture-forward culture, and proximity to Zion, Bryce Canyon, the Grand Canyon, and Lake Powell. With Hilton's Outset Collection expressing brand interest, this opportunity offers investors a path to elevate a proven hospitality platform into Kanab's next flagship boutique resort experience.





INVESTMENT OVERVIEW

PROPERTY NAME	LOCATION
CANYONS COLLECTION	236 N HWY 89, KANAB, UT, 84741
OFFERED PRICE	TOTAL KEYS
\$4,495,000	44 GUESTROOMS + 1 OWNER’S SUITE + 1 EMPLOYEE HOME
TOTAL SIZE	TAX DISTRICT
~1.24 ACRES (ACROSS 4 PARCELS)	02 - KANAB CITY
PARCEL #	ZONING
K-31-5, K-30-8, K-30-7A, K-30-9, K-31-3A	COMMMERICAL (C-2) + RESIDENTIAL (R-1-8)

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PROPERTY SUMMARY

Canyons Hotel

The ground floor area is 7,346 square feet including a 1,295-square-foot restaurant. There is 6,683 square feet on the second floor and 947 square feet on the third floor. The hotel building area is 14,976 square feet and has 28 rooms and was renovated in 2015.

- 28 Guestrooms & Suites
- Home to Sego Restaurant, one of Utah's highest-rated culinary experiences, led by acclaimed Chef Shon Foster.
- Identified with interest by Hilton as a candidate for conversion into an Outset Collection by Hilton property, Hilton's newest upscale independent brand.
- PIP already issued and determined to be a low-lift conversion, offering high value potential and brand-driven revenue growth.
- Located along Highway 89 within walking distance of Kanab's main attractions, galleries, and dining.



CANYONS HOTEL

Current Exterior



POTENTIAL CONVERSION

Exterior



Disclosure:

Outset Collection is contingent on performance of Hilton's PIP requirements as stated on the PIP provided by thier team. Design of this conversion on this deck is only provided as inspiration for potential changes but not part of the PIP requirements.

CANYONS HOTEL

Current Interior



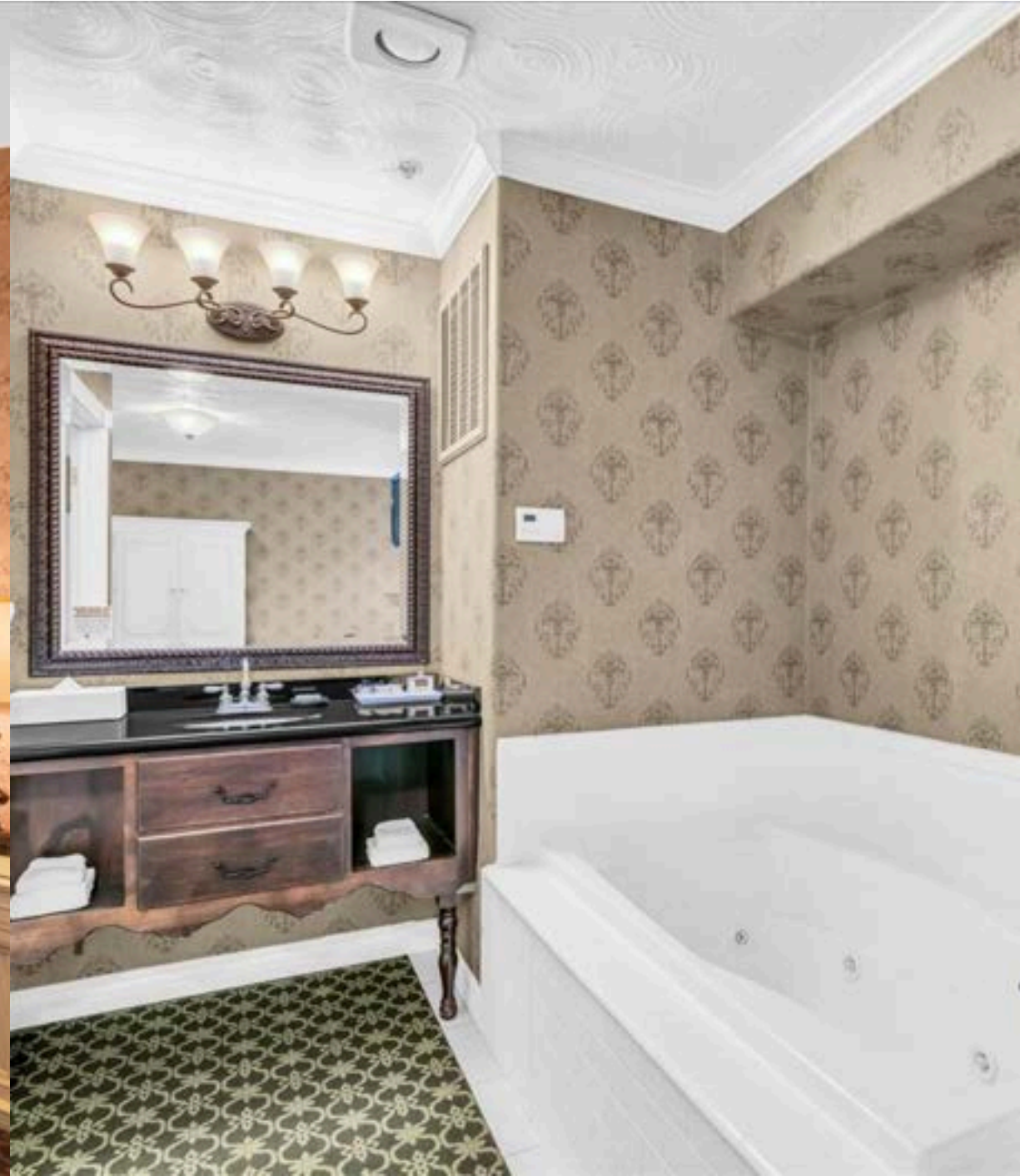
POTENTIAL CONVERSION

Interior



CANYONS HOTEL

Current Rooms



POTENTIAL CONVERSION

Rooms



CULINARY STANDOUT:

sego
RESTAURANT

Sego has received multiple accolades:

- OpenTable Diners' Choice Award: Continuous recipient since 2017, based on reviews in Southwestern Utah.
- Best New Concept Award (Fine Dine): Awarded by the Utah Restaurant Association in 2018.
- Chef Shon Foster's Background: Former executive chef at luxury resort Amangiri, recognized by Travel & Leisure.
- Recent Recognition: In 2023, Chef Foster was awarded Utah Restaurant Associations Chef of the Year.

Featured by Outside Magazine as a top restaurant in Kanab, a noted adventure town.

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PROPERTY SUMMARY

Canyons Lodge

There is 3,374 square feet on the ground floor of the motel including the first floor of the two-story building and single level cottage rooms. The upper level is 1,269 square feet. The office and manager's apartment is 1,302 square feet and also has a 288-square-foot finished basement. The apartment is improved with two bedrooms and one bathroom.

- 16 Guestrooms & Suites
- Distinct western-modern design with Log Cabin-inspired architecture.
- Strong reputation and repeat clientele from regional adventure travelers, photographers, and park explorers.
- Positioned as a complementary boutique to Canyons Hotel, with shared operational efficiencies and brand identity.
- 13,000 gallon pool



CANYONS LODGE

Current Exterior



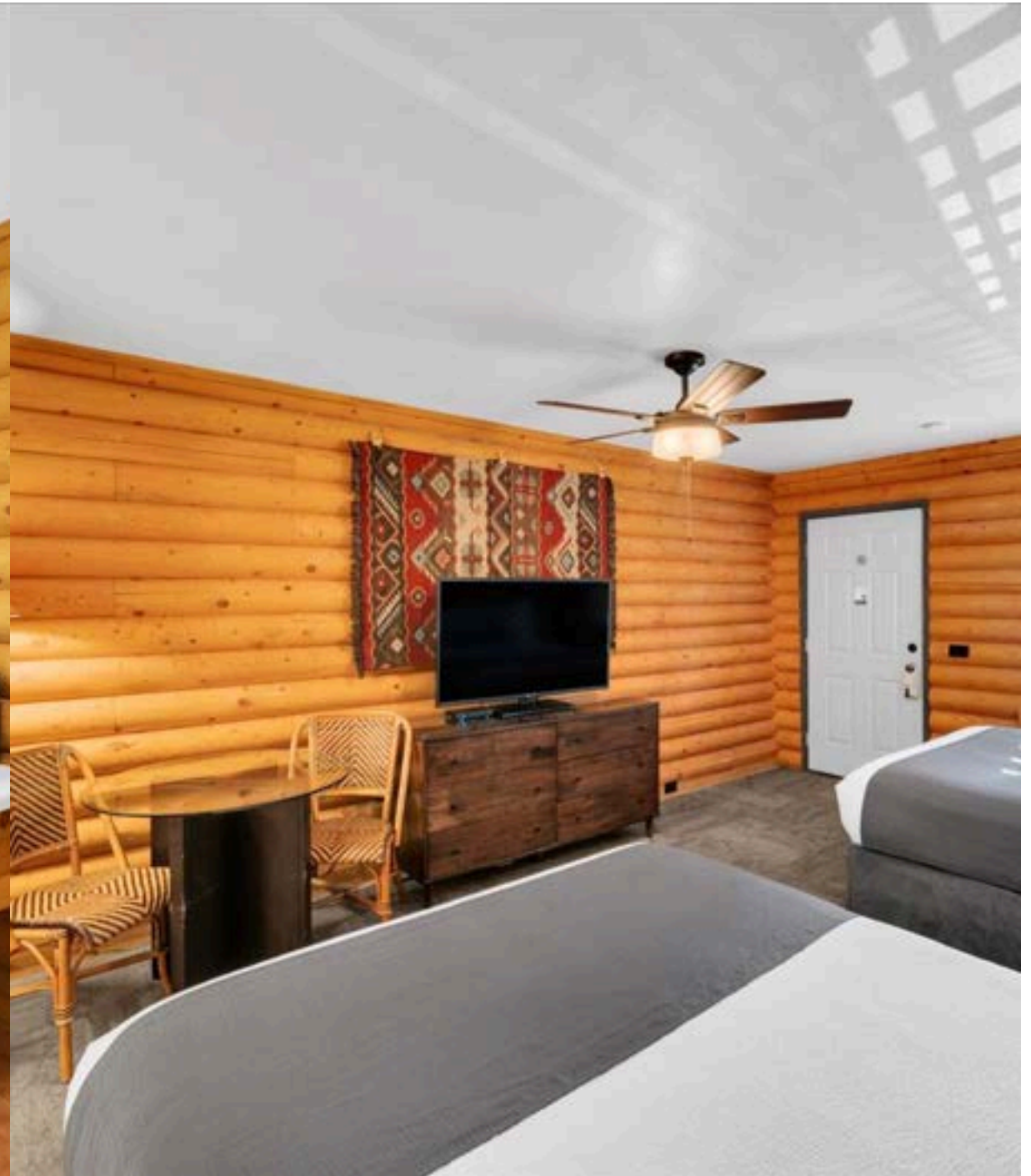
CANYONS LODGE

Current Interior



CANYONS LODGE

Current Rooms



PROPERTY SUMMARY

Employee Residence

1,782-square-foot modular residence constructed in 2000, and an adjacent 495-square-foot shop used for laundry facilities.

- 1,782 sq ft residence currently used for employee housing.
- Flexible layout suitable for staff, long-term rental income, or owner's quarters.
- Parcel zoned R-1-8, allowing residential flexibility and potential value-add improvements.



INVESTMENT HIGHLIGHTS

- **Turnkey Boutique Portfolio:** Two established operating hotels with immediate revenue streams and strong local recognition.
- **Brand Conversion Upside:** Hilton's Outset Collection interest presents a new exciting option in the Kanab Market.
- **Culinary Anchor:** Sego Restaurant provides significant brand equity and cross-market draw, further enhancing guest capture rates.
- **Strategic Location:** Situated in downtown Kanab, walkable to amenities, central to the "Grand Circle" of national parks (Zion, Bryce, Grand Canyon, Lake Powell).
- **High-Barrier Market:** Limited upper-tier supply in Kanab ensures strong pricing power and minimal new competition.
- **Scalable Platform:** The Canyons Collection could serve as a flagship asset for future brand extensions or regional acquisitions.



POTENTIAL CONVERSION

Here you can find a Pro Forma post renovation and brand repositioning.
*Please reach out for more details on the PIP requirements and where the brand sits on performance base vs comps

Canyons Boutique Hotel, Kanab, UT Projections		CLOSED FOR 6 MONTHS													
Year	Year1 2026 Projection			Year2 2027 Projection			Year3 2028 Projection			Year4 2029 Projection			Year5 2030 Projection		
Number of Rooms	28			28			28			28			28		
Available Rooms Per Year	5,110			10,220			10,248			10,220			10,220		
Occupied Rooms Per Year	2,300			6,847			7,276			7,256			7,256		
Occupancy	45.0%			67.0%			71.0%			71.0%			71.0%		
ADR	\$140.00			\$170.00			\$176.80			\$182.10			\$187.57		
RevPAR	\$63.00			\$113.90			\$125.53			\$129.29			\$133.17		
	Total		%	Total		%	Total		%	Total		%	Total		%
Departmental Revenues															
Rooms	321,930		98.6%	1,164,058		98.8%	1,286,411		98.8%	1,321,383		98.8%	1,361,025		98.8%
Miscellaneous Income	4,599		1.4%	14,106		1.2%	15,438		1.2%	15,858		1.2%	16,334		1.2%
Total Revenues	326,529		100.0%	1,178,164		100.0%	1,301,849		100.0%	1,337,241		100.0%	1,377,358		100.0%
Departmental Expenses															
Rooms	114,975		35.7%	342,370		29.4%	374,718		29.1%	384,905		29.1%	396,452		29.1%
Total Departmental Expenses	114,975		35.2%	342,370		29.1%	374,718		28.8%	384,905		28.8%	396,452		28.8%
Total Departmental Profit	211,554		64.8%	835,794		70.9%	927,131		71.2%	952,336		71.2%	980,906		71.2%
Undistributed Expenses															
Administrative & General	50,400		15.4%	112,000		9.5%	115,360		8.9%	118,821		8.9%	122,385		8.9%
Credit Card Fees	9,796		3.0%	35,345		3.0%	39,055		3.0%	40,117		3.0%	41,321		3.0%
Sales & Marketing	42,000		12.9%	39,200		3.3%	40,376		3.1%	41,587		3.1%	42,835		3.1%
Franchise Fees	-		0.0%	116,406		9.9%	128,641		9.9%	132,138		9.9%	136,102		9.9%
Telecom/Info Systems	11,200		3.4%	14,000		1.2%	14,420		1.1%	14,853		1.1%	15,298		1.1%
Repair & Maintenance	22,400		6.9%	78,400		6.7%	80,752		6.2%	83,175		6.2%	85,670		6.2%
Utilities	26,600		8.1%	30,590		2.6%	31,508		2.4%	32,453		2.4%	33,427		2.4%
Total Undistributed Expenses	162,396		49.7%	425,941		36.2%	450,112		34.6%	463,144		34.6%	477,038		34.6%
Gross Operating Profit	49,158		15.1%	409,853		34.8%	477,019		36.6%	489,192		36.6%	503,868		36.6%
Base Management Fees	19,592		6.0%	47,127		4.0%	52,074		4.0%	53,490		4.0%	55,094		4.0%
Fixed Expenses															
Insurance	20,000		6.1%	35,000		3.0%	36,050		2.8%	37,132		2.8%	38,245		2.8%
Property & Other Taxes	15,100		4.6%	28,690		2.4%	29,551		2.3%	30,437		2.3%	31,350		2.3%
Restaurant Lease Income	(20,000)		-6.1%	(20,600)		-1.7%	(21,218)		-1.6%	(21,855)		-1.6%	(22,510)		-1.6%
Total Fixed Expenses	15,100		4.6%	43,090		3.7%	44,383		3.4%	45,714		3.4%	47,086		3.4%
EBITDA	14,466		4.4%	319,636		27.1%	380,562		29.2%	389,988		29.2%	401,688		29.2%

MARKET OVERVIEW

Kanab, Utah

Kanab is quickly transforming from a quiet gateway town into Southern Utah's next boutique resort destination.

With visitation to the region surpassing several million annual park visitors, Kanab sits perfectly between multiple national parks while offering a more intimate, design-forward hospitality experience.

The city's emphasis on culinary tourism, its rich history with film, outdoor lifestyle combined with limited development supply positions Kanab for long-term value growth.

Investors entering the market today are acquiring at a basis well below future replacement cost, with the ability to shape the town's evolving hospitality identity.



EAST ZION ENTRANCE DEVELOPMENT

Zion National Park Discovery Center – Opening 2026

Set to open next year, the new Zion National Park Discovery Center located near the park's east entrance will serve as a major visitor orientation hub for guests entering from Kanab, Bryce Canyon, and Grand Staircase-Escalante. Designed as an educational and logistical gateway, the Discovery Center will provide:

- Real-time park information and shuttle access
- Interpretive exhibits and outdoor learning spaces
- Expanded visitor services for the East Zion corridor

This development represents a significant federal and state investment in shifting visitor distribution and traffic management encouraging travelers to approach Zion from the east rather than solely through the traditional Springdale entrance. As a result, Kanab's role as "Basecamp Zion" will strengthen substantially, with improved infrastructure and a rebalanced flow of high-value guests seeking quality accommodations, dining, and authentic regional experiences.

Impact on The Canyons Collection

This infrastructure project (opening of the Zion Discovery Center) further validates the long-term value proposition for The Canyons Collection. Kanab is positioned to capture a growing share of Zion-bound visitors, particularly the adventure-luxury segment seeking design-forward, full-service stays outside the park's congestion zone.

In the coming years, these changes will make Kanab not only a strategic overnight stop but a primary destination hub, enhancing both occupancy stability and ADR growth potential for well-positioned hospitality assets.



KANAB, UT



Lake Powell - 1 Hr 10 min



Coral Pink Sand Dunes SP - 25 min



The Great Chamber - 1 Hour



Grand Canyon North Rim - 1 Hr 30 min



The Wave - 1 Hour



Zion National Park - 40 min

NEXT STEPS

Interested parties may request access to detailed financials, operating statements, and Hilton PIP documentation upon execution of a Non-Disclosure Agreement (NDA).

For additional information or to schedule a private property tour, please contact:

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