



HOTEL MANAGEMENT

Development

Dream Hotel Group CEO awake at the wheel

by Stefani C. O'Connor | Oct 16, 2019 4:00pm



In addition to the flagship New York City hotel, two Chatwals are slated to open in 2021 in Mexico. Photo credit: Dream Hotel Group

Trying to pin down Jay Stein might cause one to consider opting for the literal meaning rather than the figurative. The CEO of Dream Hotel Group seems consistently on the move, wheeling and dealing on behalf of the 30-year-old brainchild (née Hampshire Hotels & Resorts) of entrepreneurial founder and chairman Sant Singh Chatwal.

Those who do encounter him don't soon forget him, his home-base New York City attitude creating a "let's-get-it-done-now" vibe that's backed by a solid understanding of what it takes to be a serious player among the hospitality industry's movers and shakers. More than 25 years with the same basic company doesn't hurt, either.

Stein holds sway over the amalgam that is DHG, a hotel brand and management company that includes some of the industry's noted lifestyle offerings: Time Hotels, Dream Hotels and more recently, The Chatwal and Unscripted Hotels. Also in the mix are several Night Hotels, The Heritage House Resort and Spa in Little River, Calif., and a smattering of brand product: Days Inn, Hampton Inn, Radisson and Hilton Garden Inn, which the company has dubbed its "legacy" properties. The group operates along a trio of business lines: dining and nightlife, hotel management and proprietary brands.

And there's good reason Stein doesn't sit still; he's intent on growing the company footprint, largely domestically but internationally as well and doesn't consider 150 hotels out of reach.

"We're up to 18 properties now that either we have ownership in, own outright or are managing. The majority of those are our brands that we've launched," Stein told Hotel Management.

The executive noted in order to achieve smart growth, the company had made a deliberate decision to curtail its avenues of engagement and eliminated such offshoots as third-party management, asset management and a WeWork-style concept and put the brakes on any further Night Hotel development. "I just felt it was too much on the table for a small group like ours to try and do well and be meaningful to either developers or to the public that would be using it," he said. While DHG does not own the two Night properties, located in Manhattan's Times Square/Theatre District, they possibly could be reflagged to one of the four proprietary brands, most likely as Unscripted Hotels. "We'll see where those end up."



CEO Jay Stein

Photo credit: Dream Hotel Group

Stein said he's been "surprised pleasantly by how much excitement there's been" around The Chatwal, considered the company's luxury brand.

Brand Growth

In addition to the flagship NYC hotel, two Chatwals are slated to open in 2021 in Mexico: The Chatwal San Miguel de Allende with 44 villas and 125 residences and The Chatwal Valle de Guadalupe with 80 suites and 50 residences. In 2022, The Chatwal Lodge will debut in Bethel, N.Y. (the town associated with the 1969 Woodstock Festival) as part of a gated community known as The Chapin Estate.

Similarly, DHG's Unscripted Hotels lifestyle brand, which debuted in Durham, N.C., in 2017 as a \$19.5 million reimaging of the former iconic Jack Tar Motor Lodge, is set to open a hotel next year in Belize, and two more the following year in Tulum, Mexico, and in the Catskills in Upstate New York.

"We're starting to sign up more of those, and that's 'easy' to grow because those will also work in secondary locations; you don't need the big footprint to do it. You could have four or five food-and-beverage venues or it could be fine with just a great lobby bar and one signature restaurant," the executive suggested.

The group's namesake brand, Dream Hotels, is going full throttle, which also has Stein intrigued because it has a variety of high-end components. "Ah, Dream. Most people we speak to, that's what they want to do but a lot of them can't. They're either not in the right location, not in the right city or they don't have the physical structure of the building to do high-energy nightlife, rooftop pool, three different restaurant concepts, nightclubs, which really [are] required to do a full Dream," said the CEO.

There currently are seven Dream Hotels open, located in Nashville; Los Angeles; South Beach, Fla.; Midtown and Downtown Manhattan; and Phuket and Bangkok, Thailand. Over the next two years, these will be joined by Dream properties in Atlanta/Buckhead; Dallas; Memphis, Tenn.; Palm Springs, Calif.; Belize; Doha, Qatar; and Valle de Guadalupe, Mexico.

As for DHG's The Time brand, there is its flagship in Manhattan and another nearby in suburban Nyack, N.Y. "And we're getting close to hopefully announcing a few more," said Stein. "The Time allows us to do properties with people who want to do a Dream—so they're in great locations—they just don't have the physical size to be able to do enough of the food and beverage and the public-area space."

The CEO noted the group plans to remain concentrated on the upscale, upper-upscale and luxury segments and has eyes on Boston; Chicago; San Francisco; Washington, D.C.; and London, as well as secondary markets. Stein said DHG is inking a deal a month at this point and some "70 percent, 80 percent of the deals we're doing now are with other developers" and that the deals with owners vary. "We may do no investment at all, which is our preferred way—just to be the brand and the manager—but if they'd like to see some sliver equity and for us to show some real skin in the game, we're happy to do that. And if they want to do something more—a joint venture, or even a 50/50 equity partner—we're open to that, too. As long as it's the right market and the core structure we believe in."

Link: <https://www.hotelmanagement.net/own/dream-hotel-group-ceo-dreams-big>