



GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM  
OF THE VIRGIN ISLANDS  
"Contributing today for a better tomorrow"

Press Release  
For Immediate Release

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**GERS SELLS ST. CROIX RENAISSANCE CARAMBOLA BEACH RESORT & SPA**

The Government Employees' Retirement System (GERS) is pleased to report that on July 5, 2019 it closed on the sale of the 157 guestroom Renaissance Carambola Beach Resort & Spa on St. Croix. The new owner of the hotel is Davis Bay, LLC, a subsidiary of Rubicon Holdings, LLC, a hotel and real estate investment firm with experience in turning around troubled properties. Davis Bay will continue the hotel as an internationally branded Marriott hotel with the same management team selected by GERS, led by Caribbean Hotel USVI Services Corp., a subsidiary of Aimbridge Hospitality, and with the employees who are members of Our Virgin Islands Labor Union.

On December 8, 2009, GERS closed on a \$15 million loan with Carambola Northwest, LLC for a term of five years with an initial funding of \$8.2 million of which \$6.5 million was used for the purchase of Carambola. The borrower defaulted on the loan and a disposition agreement was executed with Carambola Northwest LLC on November 2, 2012, in which the hotel was conveyed to GERS.

In September 2017, Carambola sustained heavy damages due to Hurricanes Irma and Maria. A total of \$17.1 million was received by GERS from insurance settlement proceeds as a result of the hurricane damages. With the sales price received earlier this month of \$10.4 million, the post hurricane revenues received, as well as the insurance settlement, GERS realized over \$27 million for this asset which was appraised immediately prior to the hurricanes at \$15 million.

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