



## Press Release

September 17, 2012

### **Wheelock Street Capital acquires 15 hotels in two separate transactions for an aggregate purchase price of \$221 million**

**Greenwich, CT, September 17, 2012** – **Wheelock Street Capital** announced today that affiliates of Wheelock Street Capital have acquired a 12 asset select service hotel portfolio from affiliates of Inland American Real Estate Trust, Inc., and, in an unrelated transaction, a 3 asset full service hotel portfolio from affiliates of Sunstone Hotel Investors, Inc. for a combined value of \$221 million.

On September 13<sup>th</sup>, affiliates of Wheelock Street Capital acquired a 12 asset select service hotel portfolio from affiliates of Inland American Real Estate Trust, Inc. for total consideration of approximately \$116 million. Financing for the transaction was provided by a combination of assumed CMBS loans and newly originated senior financing provided by GE Capital, Franchise Finance. The portfolio is located primarily in the Southeast and Texas, with additional assets located in Illinois and Arizona. 10 of the 12 hotels are branded under long term license agreements with select service and extended stay brand affiliates of Hilton and Marriott, with the remaining 2 hotels licensed by affiliates of Choice Hotels and InterContinental. The portfolio will be managed by McKibbin Hotel Management and the North Central Group.

Separately, on September 14<sup>th</sup>, affiliates of Wheelock Street Capital acquired three full service assets from affiliates of Sunstone Hotel Investors for a gross purchase price of \$105 million. Wheelock Street assumed the properties' existing CMBS financing. The portfolio includes the 257-room San Diego Hilton Del Mar, the 229-room Minneapolis DoubleTree Guest Suites and the 350-room Detroit Marriott Troy. Sage Hospitality will manage the San Diego Hilton Del Mar and Minneapolis DoubleTree Guest Suites while Marriott International continues to manage the Detroit Marriott Troy. Wheelock anticipates completing the ongoing renovation at the Hilton Del Mar and investing in select property upgrades at the Marriott Troy and Minneapolis DoubleTree.

Commenting on the transactions, Jonathan Paul, a Managing Partner of Wheelock Street Capital, said, "We are delighted to be adding this collection of high quality hotels to our portfolio. Wheelock will invest in additional capital upgrades across both portfolios to position the assets to benefit from a favorable fundamental backdrop and high quality brand affiliations."

CBRE and Maxim Hotel Brokerage represented Inland in the sale of the select service portfolio. Hodges Ward Elliott represented Sunstone in the sale of the full service portfolio.

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### **About Wheelock Street Capital**

Wheelock Street Capital was formed in 2008 by Rick Kleeman and Jonathan Paul, two veteran real estate private equity investors, each with over 20 years of broad real estate transaction experience across all major asset classes. Wheelock Street is currently investing its third fund and its first multi-investor discretionary opportunity fund, which consists of \$525mm of committed capital. Wheelock Street's first two funds were primarily funded by a single private institutional investor. Wheelock Street will invest in a broad range of real estate assets throughout the United States. The fund may invest directly or with high quality joint venture partners through a variety of capital structures and transaction types, including acquisitions, restructurings, and recapitalizations. For further information regarding Wheelock Street Capital, please refer to the company website at [www.wheelockst.com](http://www.wheelockst.com).